



中原人民自己的银行



Address: Zhongke Jinzuo Building, No. 23, Business Outer Ring Road,
Zhengdong New District, Zhengzhou City, Henan Province, China
Tel: (86) 0371-85517898
Fax: (86) 0371-85519888
E-mail: dongshihui@zybank.com.cn

Zhongyuan Bank Co., Ltd.
2023 Environmental, Social and Governance Report



CONTENTS

Start of the Report

About the Report	01
About the Bank	03

Appendix

Key Performance Indicators	77
Report Disclosure Index	79
Independent Assurance Statement	83
Reader Feedback Form	85

Body of the Report

01

Strengthen Internal Management and Stabilize the Cornerstone of Development

Guided by Party Building	07
ESG Management First	11
Compliance Operations Management	16

02

Based on Long-term Goals and Serving National Strategies

Supporting the Real Economy	21
Assist Inclusive Finance and Small and Micro Enterprises	25
Promoting Rural Revitalization	29
Practicing Social Welfare	33

03

Consumer Protection Responsibility, Enhance Customer Experience

Protecting the Rights and Interests of Customers	39
Enhancing the Service Experience	44
Financial Literacy	47

04

Advancing Green and Low-Carbon Initiatives, Safeguarding Green Mountains and Clear Waters

Practicing Low-Carbon Operations	51
Tackle Climate Change Response	56
Development of Green Finance	58
Promotion of Green Procurement	63

05

Uniting Team Strength and Supporting Employees Growth

Protection of Employees' Rights and Interests	67
Employee Career Development	69
Strengthen Employee Care	71
Occupational Health and Safety	74

About the Report

Reporting Time

This Report covers the period from January 1, 2023 to December 31, 2023 (the "reporting period"). In order to enhance the contrast and forward-looking nature of this Report, some contents may go beyond the above-mentioned scope.

Reporting Period

This Report is an annual report, it is the 7th Environmental, Social and Governance Report (the "ESG Report" or "Report") released by Zhongyuan Bank since 2017.

Organizational Scope

The data and facts involved in this Report cover the head office, 18 branches, 1 consumer finance company, 2 financial leasing companies and 14 rural banks. For ease of expression, Zhongyuan Bank Co., Ltd. is referred to as "Zhongyuan Bank", "the Bank" or "we".

Reporting Principles

This Report has been prepared in accordance with the *Code of Corporate Governance for Listed Companies* issued by the China Securities Regulatory Commission and the *Environmental, Social and Governance Reporting Guide set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules")*, issued by the Stock Exchange of Hong Kong Limited. At the same time, this Report is prepared by reference to the *Opinions on Strengthening the Social Responsibility of Banking Financial Institutions* issued by the former China Banking Regulatory Commission and the *Guidelines on Corporate and Social Responsibilities of Financial Institutions in the Banking Industry Association of China*. The Report focuses on Zhongyuan Bank's efforts in promoting environmental, social and governance aspects. The preparation of this Report follows the principles of materiality, quantification, balance and consistency.

Materiality

This Report clearly identifies the significant ESG issues associated with the Bank and provides targeted disclosures on these respective issues.

Quantification

The statistical standards, methods, assumptions and/or calculation tools for the quantitative KPIs in this Report, as well as the sources of conversion factors, are explained in the interpretation in this Report.

Consistency

The statistical methods used for disclosing data in this Report are consistent. In the event of any changes to the disclosed statistical methods, key performance indicators, or any other relevant factors that significantly impact meaningful comparisons, such changes will be clearly explained in this Report.

Balance

This Report presents the Bank's performance during the reporting period in a fair, impartial, objective, and balanced manner, thereby avoiding any inappropriate understanding, decision-making, or judgment by the readers.

Data Explanation

All the financial data in this Report are from the 2023 audited financial report set out in the 2023 annual report. The other data statistics scope includes the head office, 18 branches, 1 consumer finance company, 2 financial leasing companies and 14 rural banks. Unless otherwise specified, the monetary amounts involved in this Report are measured in RMB, unless otherwise specified.


Independent Assurance

In order to ensure the authenticity and reliability of the Report, the report was independently and limited audited by CECEP (HK) Advisory Company Limited in accordance with the AA1000 auditing principles, and an independent auditing statement is issued.

Release Form

This Report is published in both print and electronic formats. The printed version is available at the Office of the Board of Directors of the Bank, the electronic version can be downloaded from the HKEXnews (website: www.hkexnews.hk) and the Bank's website (website: www.zybank.com.cn). The Report is available in Chinese and English. If there is any inconsistent, the Chinese version shall prevail.

Contact Information

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 Tel: (86) 0371-85517898

 Fax: (86) 0371-85519888

 E-mail: dongshihui@zybank.com.cn

About the Bank

Introduction of the Bank

Established in December 2014, Zhongyuan Bank is a provincial corporate bank whose branches covering the whole Henan Province. In July 2017, the Bank was listed on the Main Board of The Stock Exchange of Hong Kong Limited. In May 2022, with the approval of the former China Banking and Insurance Regulatory Commission, Zhongyuan Bank merged former Bank of Luoyang, Bank of Pingdingshan and Bank of CTS.JZ.

At present, Zhongyuan Bank has

- 18 branches
- nearly 700 business outlets
- 1 consumer finance company
- 2 financial leasing companies
- 14 rural banks

the total assets of the bank have exceeded 1.3 trillion

with nearly 20,000 employees

At present, Zhongyuan Bank has 18 branches, nearly 700 business outlets, 1 consumer finance company, 2 financial leasing companies and 14 rural banks. The total assets of the Bank have exceeded 1.3 trillion, with nearly 20,000 employees. With outstanding business performance and high-quality financial services, Zhongyuan Bank has won wide acclaim from all sectors of society, and has successively been awarded the titles of "Top 10 City Commercial Banks of the Year," "Iron Horse Top 10 Banks," "The Best Listed Company," "Outstanding City Commercial Bank of the Year" and "2023 Fortune China's Top 500 Listed Companies," ranked 145th in the 2023 Global Top 1,000 Banks by *The Banker*. The Bank's social reputation and brand influence continue to expand. Zhongyuan Bank will always adhere to the guidance of the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, with the goal of "building a first-class urban commercial bank" proposed by the Henan Provincial Party Committee, anchor the mission positioning of "the Bank of local citizens in Zhongyuan area", adhere to the principle that "the leadership of the Party is the soul, the Party committee and government are the reliance, the market economy is the environment, the nature of institutions is the Bank, asset quality is the life and business performance is the foundation", root in Zhongyuan, cultivate Zhongyuan, rely on Zhongyuan, serve Zhongyuan, and make new and greater contributions to composing a more brilliant chapter of the new era and new journey of Zhongyuan.



Honors and Awards

- On January, 2023**
the Bank won the 16th Golden Cicada Award - "Award for City Commercial Banks in 2022"
- On March, 2023**
the Bank won the Golden Tripod Awards - "Most Competitive Digital Innovation Award for Small and Medium Banks of the Year" and "Best Wealth Management Brand Awards of the Year"
- On March, 2023**
the Bank won the "Award for Top 10 Retail Banks - City Commercial Banks"
- On April, 2023**
the Bank won the "2022 'China Financial Institutions Gold List • Golden Dragon Award' Best Socially Responsible Bank"
- On May, 2023**
the Bank won the "Best Socially Responsible Bank in 2022" awarded by the Financial Times
- On May, 2023**
the Bank won the Prize for "Best Ten Small and Medium Banks for 'Iron-horse Banks' " for 2022
- On May, 2023**
the Bank won the "2022 Henan Socially Responsible Enterprises 'Extraordinary Decade of Special Contributions' Award"
- On July, 2023**
the Bank ranked 145th amongst the Top 1,000 World Banks 2023 by *The Banker* (UK)
- On July, 2023**
the Bank was included in the Top 500 Listed Chinese Companies published by *The Fortune* in 2023
- On July, 2023**
the Bank won the "Tianji Award for Golden Brand Bank of the Year 2023 "
- On November, 2023**
the Bank won the Golden Tangerine Award for "Financial Institution with High-quality Development of the Year 2023 "
- On December, 2023**
the Bank won the "Award for Outstanding Brand Value Bank of the Year " and the "Award for Pioneer Bank for Inclusive Finance of the Year " of 21st Financial and Economic Honors in Hexun.com
- On December, 2023**
the Bank won the "Best Brand Construction Bank of the Year 2023 " of 2023 China Financial Institutions Gold List Golden Dragon Award

01

Strengthen Internal Management and Stabilize the Cornerstone of Development

Guided by Party Building	07
ESG Management First	11
Compliance Operations Management	16



Sound internal management is the foundation for achieving sustainable development. Zhongyuan Bank leverages the effectiveness of governance, integrate the leadership of the Party into all aspects of corporate governance. It continuously improves the modern enterprise system, promotes ESG governance system construction, optimizes risk management mechanisms and promotes self-development.

Guided by Party Building



Zhongyuan Bank adheres to the political and people-oriented nature of financial work, ensuring the correct direction of financial reform and development. The Bank has issued the *Notice on Clarifying the Decision-Making Scope of Zhongyuan Bank's "Three Major Issues and One Large"*, improves the Party's leadership mechanism, implements the dual responsibility of managing the Party and promoting enterprise development, promotes the integration of Party building and business, and leads high-quality development with high-quality Party building.

01 Adherence to the Comprehensive Leadership of the Party



Zhongyuan Bank has established a sound system for the comprehensive leadership of the Party, incorporated the overall requirements of Party building work into the articles of association, standardized the "Three Major Issues and One Large" decision-making system, established rules of procedure for special meetings of Party committee secretaries, and insisted on conducting preliminary research on major business management matters. During the reporting period, the Bank organized a total of 36 meetings of the Party Committee to review 338 important issues, fully leveraging the leadership role of the Party Committee in guiding direction, managing the overall situation and ensuring implementation.

During the reporting period

the Bank organized a total of **36** meetings of the Party Committee to review **338** important issues

The Bank integrates Party building work with business management in terms of deployment, planning, implementation and assessment. We supervise and promote all responsible parties to practice and implement the responsibilities of managing the Party, governing the Party and promoting the development of enterprises. We continue to invigorate grassroots Party building, implementing political standards and requirements across various fields and stages of business development, promoting the efficiency of business work through Party building.

The Bank regularly organize Party member education activities. During the reporting period, we conducted 29 training sessions for Party members and cadres at all levels of the branch, totaling 92 hours, with a participation of 12,700 individuals. We carried out Party member education through the enterprise Party school, meeting the requirements of 32 hours of training, and achieving a 100% coverage of Party members. Furthermore, we actively promoted the "1000 Lectures" campaign on the spirit of the 19th National Congress of the Communist Party of China. Across all levels and units of the Bank, a total of 1,027 lectures were delivered, surpassing the target completion rate at 102.7%.

During the reporting period

at all levels of the branch we conducted **29** training sessions for Party members and cadres totaling **92** hours with a participation of **12,700** individuals

We carried out Party member education through the enterprise Party school meeting the requirements of **32** hours of training achieving a **100** % coverage of Party members



Zhongyuan Bank Deepens the Promotion of the "1000 Lectures" on the Spirit of the 20th National Congress of the Communist Party of China

Zhongyuan Bank has carried out "five lectures" activities, including leading lectures by Party committee members, guidance lectures by experts, in-depth lectures by branch secretaries, focused lectures on business lines and key lectures on training and learning. In 2023, a total of 1,027 lectures were completed by all levels and units of the Bank, with a completion rate of 102.7%, which better united all cadres and employees to unify their thoughts and actions with the spirit of the 20th National Congress of the Communist Party of China.

In 2023

Zhongyuan Bank Deepens the Promotion of the "1000 Lectures" on the Spirit of the 20th National Congress of the Communist Party of China

a total of **1,027** lectures were completed by all levels and units of the Bank



with a completion rate of **102.7** %



The Party Committee of Zhongyuan Bank Held a Reading Class on Learning the Theme of Socialism Ideology with Chinese Characteristics in the New Era, Guo Hao, the Party Secretary and Chairman, Gave the Lecture

02 Integrity and Anti-Corruption

Zhongyuan Bank attaches great importance to integrity and anti-corruption work. We have formulated the *Implementation Opinions of the Party Committee of Zhongyuan Bank on Strengthening Comprehensive Supervision Work* and continuously promotes stringent governance. Additionally, we continuously improve the punishment and prevention system that emphasizes education, system, supervision and penalties.

The Bank has established a comprehensive supervision leading group led by the Party Committee Secretary and Chairman to implement unified leadership, overall planning, promotion of the supervision of comprehensive and strict governance within the Party and the Bank. Additionally, we aim for the full implementation of disciplinary supervision and inspection requirements. The Bank has issued the *List of Key Political Supervision Matters for the Discipline Inspection and Supervision System of Zhongyuan Bank in 2023*, which clarifies key supervision tasks and promotes the concretization, precision and normalization of political supervision. During the reporting period, taking the opportunity of the *Implementation Plan for Clean Financial Work in 2023 of Zhongyuan Bank*, the Bank has organized activities such as "Secretary's Lecture on Discipline and Law," "Face-to-face Integrity Talks," and "Learn the Party Constitution, Understand Party Rules and Keep Party Discipline" to carry out specialized disciplinary education. These efforts aim to set direction, establish rules, correct the atmosphere and strengthen immunity, thus solidly promoting the construction of honesty and integrity¹.

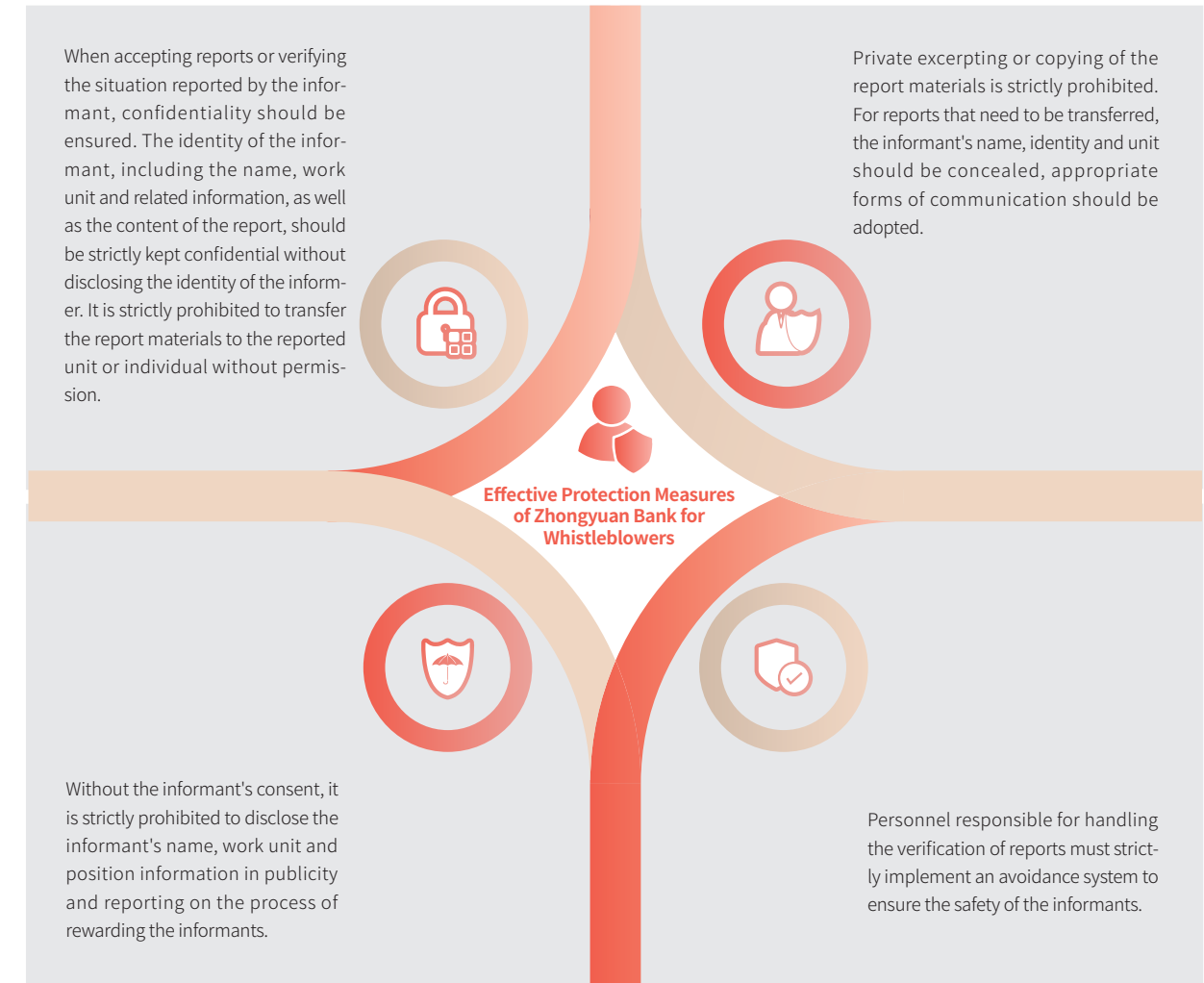
Zhongyuan Bank Holds a Work Promotion Meeting on "Deepening Strict Party Governance, Adhering to Strict Governance and Strengthening Comprehensive Supervision"

On September 26, 2023, Zhongyuan Bank held a work promotion meeting on "deepening strict Party governance, adhering to strict governance and strengthening comprehensive supervision." The leaders of the head office attended the meeting, and the participants collectively watched the cautionary education film "The Painful Price of Loans." Taking serious disciplinary cases of Party members in the same industry as a mirror, we drew profound lessons and strengthen the ideological defense line of "daring not to corrupt, being unable to corrupt, and having no desire to corrupt."



¹For more information on the number and results of corruption prosecutions, please visit the website of the CPC Henan Provincial Commission for Discipline Inspection.

The Bank encourage the reporting of violations, breaches of discipline, illegal activities and behaviors that damage the reputation of the Bank or violate professional ethics. We have established the *Zhongyuan Bank Petition Management Measures* and the *Zhongyuan Bank Integrity Reporting Management Measures*. We have established a petition ledger supervision mechanism to ensure that violations are investigated and individuals involved will be punished. We have established clear reporting channels and petition work mechanisms, while also stipulating protective measures for whistleblowers to prevent any form of retaliation against them.



Zhongyuan Bank has always adhered to the principles of openness, fairness and integrity in cooperation with suppliers. We firmly oppose commercial bribery, ensuring that the procurement process is not utilized for seeking any illicit gains. We strictly prohibit providing benefits to partners or employees in any covert manner or engaging in any behavior detrimental to the interests. We strive to create a transparent and efficient procurement environment to ensure that procurement work is conducted in a standardized, transparent and efficient manner.

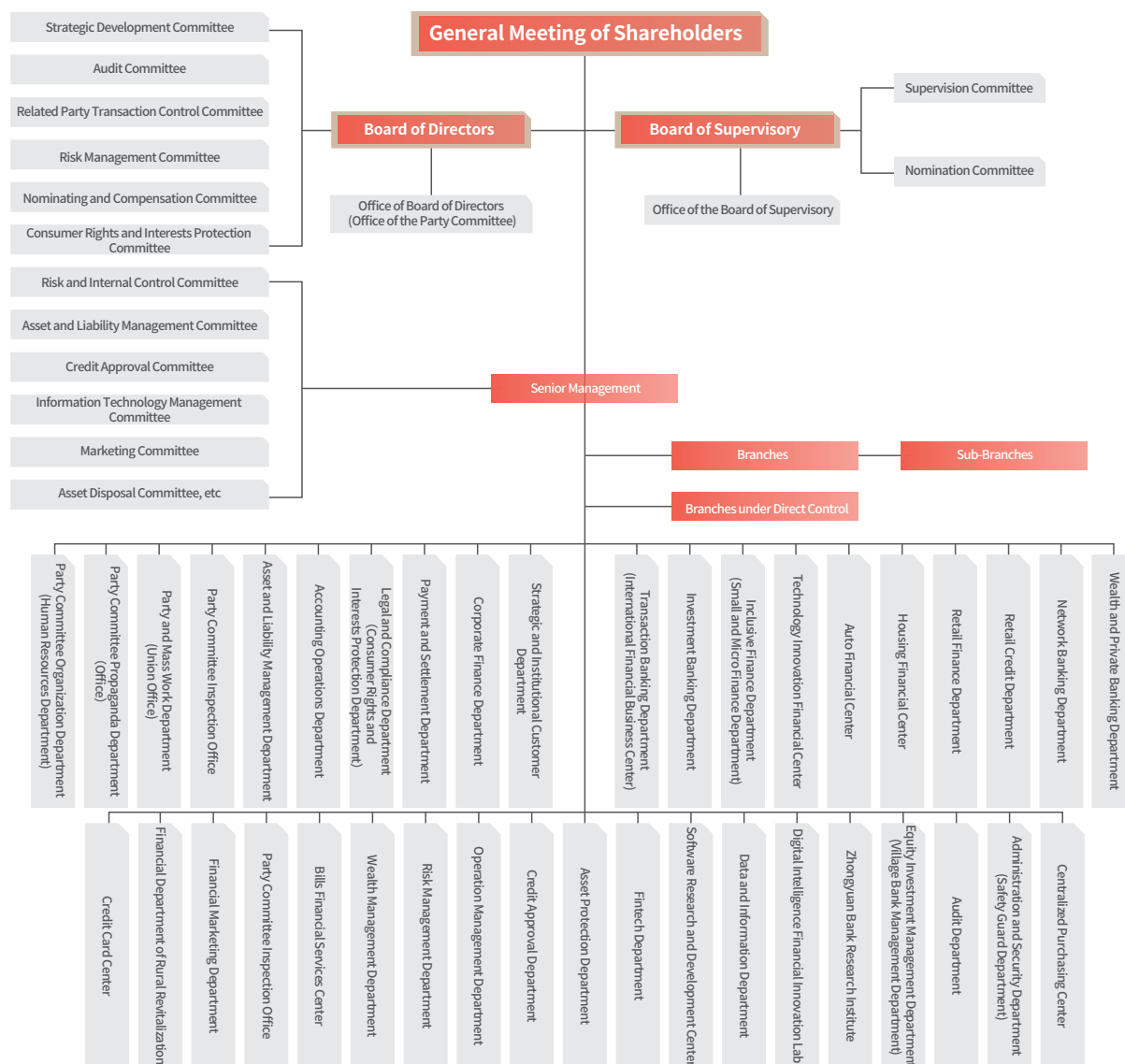
ESG Management First



Zhongyuan Bank actively fulfills its social responsibilities, fully implements the ESG concept, deeply integrates it into the corporate governance system and builds a sound ESG governance mechanism. We integrate the ESG concept into various aspects of decision-making and management, continuously enhancing our own long-term sustainable development capabilities.

01 ESG Governance Structure

Zhongyuan Bank is committed to enhancing its sustainable development capabilities through strengthening ESG management. We have established an ESG management mechanism on the existing corporate governance framework, promoting the deep integration of ESG governance with our business operations.



Role	Responsibility
Board of Directors	The Board of Directors is the highest decision-making body for the Bank's environmental, social and governance work, and bears the ultimate responsibility for ESG work.
Strategic Development Committee of the Board of Directors	The Strategic Development Committee of the Board of Directors leads the management of Environmental, Social and Governance and is responsible for reviewing and making decisions on major issues related to ESG. This includes formulating ESG-related work policies, strategic planning, annual work plans and budgets, as well as evaluating ESG related risks and opportunities. The committee also supervises the risk management system and conducts regular reviews of ESG performance and the progress in achieving goals.
Senior Management	Promotes the popularization and practice of environmental, social and governance internally, coordinates the management of specific matters related to ESG in the Bank, and promotes cross departmental cooperation.
Functional Departments and Branches	Implements environmental, social and governance measures and regularly report progress in achieving ESG goals.

The Bank adheres to the policy of pluralism of board members and selects board members of different sexes, ages, educational backgrounds and professional experience to provide the Bank with broader management experience and expertise. At the end of the reporting period, the Board of Directors consisted of nine directors (including three female directors), consisting of one Executive Director, three Non-Executive Directors and five Independent non-executive directors.

At the end of the reporting period

the Board of Directors consisted of **9** directors, including **3** female directors

consisting of **1** Executive Director, **3** Non-Executive Directors, and **5** Independent non-executive directors

02 Stakeholder Communication



The Bank attaches great importance to communication with various stakeholders, such as the government, regulatory agencies, shareholders, customers, employees, partners, the public and the media. We have established diverse channels of communication based on the expectations and demands of the parties, actively listening and responding to the expectations of the stakeholders.

Stakeholders	Expectations and Demands	Way of Communication	Our Responses
Government	Respond to national strategy Support regional economic development Practice inclusive performance Support rural revitalization Green finance Green operation	Policies and regulations Special report Seminar Daily communication	Implement the governments industrial and economic policies Support regional economic development Adhere to serving the real economy In-depth practice of inclusive finance Vigorously develop green finance Promote green office operation
Regulatory authority	Operation in compliance with laws and regulations Prevent and defuse financial risks Maintain financial stability	Regulatory policy document Daily work report On-site and off-site supervision	Adhere strictly to regulatory policies Ensure compliance with internal control standards Comprehensive risk management
Shareholder	Decent investment return Sound governance structure Strengthen information disclosure	General meeting of shareholders Periodic announcement Phone and email	Continued and stable operation Improve profitability Improve corporate governance Ensure thorough information disclosure
Customer	High-quality financial products and services Safeguard customer rights and interests Popularize financial literacy Protection of consumer rights and interests	Customer satisfaction survey Consumer hotline Customer activity Publicity and education activities	Accelerate fintech innovation Data security and privacy protection Optimize customer service experience Provide financial literacy training
Employee	Competitive salary and welfare Satisfactory working environment and atmosphere Broad room for growth	Workers' congress Labor unions Forum Interview	Formulate a scientific salary incentive system and promotion system Carry out various forms of training activities Improve the incentive and restraint mechanism Focus on employee welfare and physical and mental health

Stakeholders	Expectations and Demands	Way of Communication	Our Responses
Partner	Integrity and mutual benefit Fair sourcing Managing ESG risks in supply chains	Business cooperation Business exchange Bidding meeting	Adhere to integrity and mutual benefit Adhere to legal compliance Adhere to insist fair and just Establish good long-term cooperative relations with partners
The Public	Perform social responsibility Care for the disadvantaged Build a beautiful community Practice social welfare Popularize financial literacy Environmental protection Public welfare	Volunteer service Charity events Green public welfare activities Financial literacy presentation and training	Actively carry out volunteer service activities in the community Hold a variety of public welfare activities and sports projects Popularize financial literacy
Media	Broaden the unified information communication platform Form a communication and dialogue mechanism between enterprises and stakeholders	Release report Press conference New media	Timely release the Annual and interim reports Timely release the ESG Report Promoting business development information in a timely manner through the media



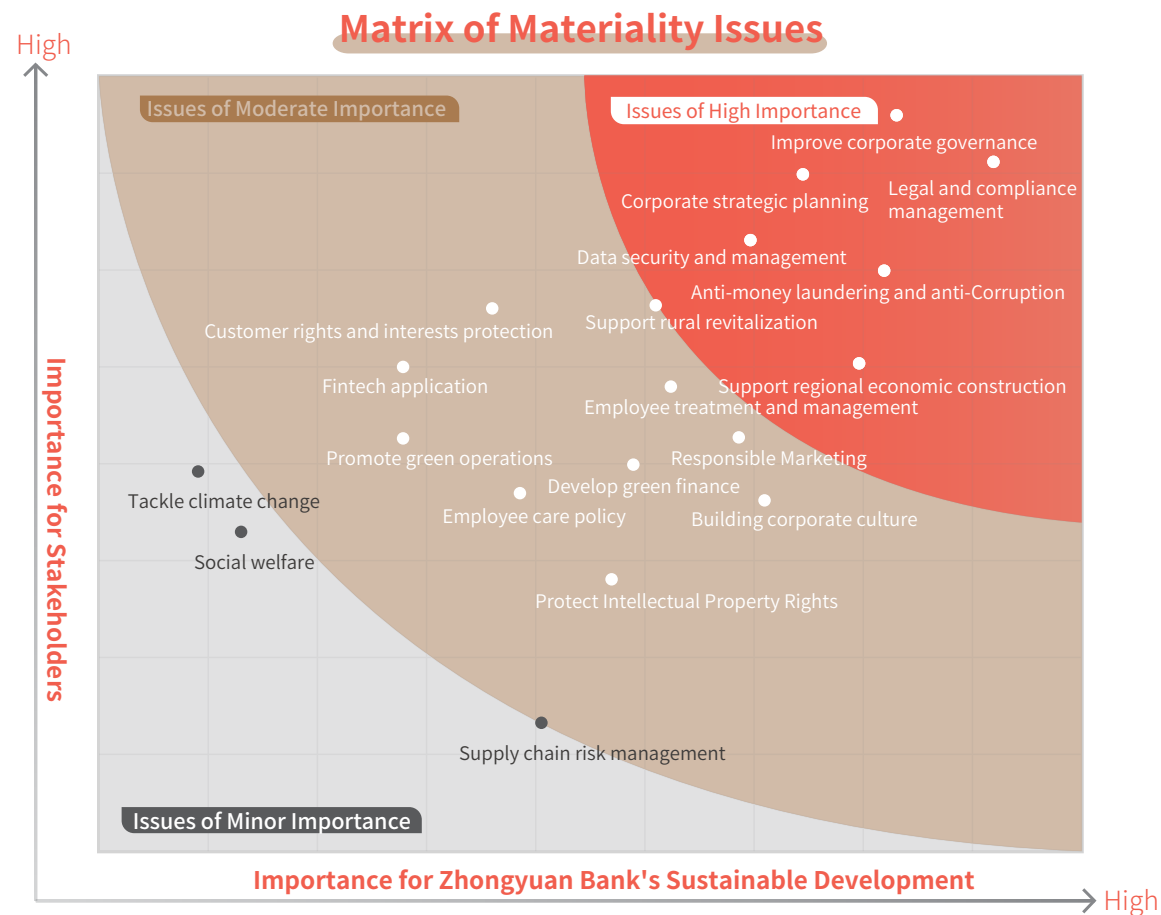
Zhongyuan Bank voluntarily fulfills its obligation of information disclosure by establishing a disclosure procedure that clarifies the standards, content and process of information disclosure, thus safeguarding the rights of investors to be informed. The Bank actively communicates with shareholders through various means such as meetings, business coordination and phone calls, increasing the frequency and effectiveness of information exchange. We meticulously handle daily shareholder services, efficiently process daily equity transactions, and handle visits, consultations and inquiries. We provide various materials in accordance with the laws and regulations, assisting both shareholders and law enforcement agencies in handling various business matters. We aim to properly safeguarding shareholder rights and seek support from shareholders in all aspects. During the reporting period, the Bank organized three shareholders' meetings in accordance with the corporate governance procedures, deliberated on 27 matters. In accordance with the relevant provisions on information disclosure, a total of 72 various documents were disclosed on the Hong Kong Stock Exchange's and the Bank's official website, totaling more than 1,600 pages, ensuring the truthfulness, accuracy, completeness, timeliness and fairness of information disclosure.

During the reporting period

the Bank organized **3** shareholders' meetings | deliberated on **27** matters | a total of **72** various documents were disclosed | totaling more than **1,600** pages

03 Materiality Issues Assessment

In accordance with the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the Listing Rules, regulatory policies and other requirements that are aligned with the focal points of the stakeholders, we have sorted out a list of material issues in this ESG report based on our own conditions and business characteristics. We have identified 19 material issues which are closely related to the Bank and are used as the important references for the preparation of the report.



Compliance Operations Management



Zhongyuan Bank has established a systematic, scientific and standardized internal control system around the main work line of "comprehensively strict governance of the Bank, comprehensive governance of the Bank according to law and comprehensive governance of the Bank according to regulations," in accordance with the *Law of the People's Republic of China on Commercial Banks* and the *Guide for Commercial Bank's Internal Control* and other laws and regulations.

01 Risk Management



In accordance with regulatory requirements and the practical situation, Zhongyuan Bank has established an organizational structure for internal control compliance and operational risk management that is adaptable to the Bank's business scale and complexity. This structure includes the Board of Directors, Board of Supervisors, Senior Management, Compliance Management Departments at both the head office and branch offices, various functional departments and employees in the internal control and compliance management positions across all the business lines. This ensures that both institutions and individuals bear compliance management responsibilities. During the reporting period, the Bank added 59 new regulations, revised 117 regulations, resulting in a total of 850 effective rules and regulations at the head office. This achievement reflects comprehensive operational management with clear regulations and rules to follow. In 2023, the Bank was honored as the 2023 Banking Risk Management Award, Jiefu Award for "Excellent Intelligent Risk Management Institution Award".

During the reporting period

the Bank added **59** new regulations | revise **117** regulations | resulting in a total of **850** effective rules and regulations at the head office

Compliance Management System

Role	Responsibility
Board of Directors	The Board of Directors is ultimately responsible for the compliance of the Bank's business operations. The Board of Directors has set up a Risk Management Committee, authorized to supervise the compliance risk management situation of senior management, monitor the implementation of compliance risk management systems, and timely provide relevant opinions and suggestions to the Board of Directors or senior management.
Board of Supervisors	The Board of Supervisors is responsible for supervising the performance of the Board of Directors and senior management in fulfilling their compliance risk management duties.
Senior Management	Senior Management bears direct responsibility for compliance risk management, and is responsible for organizing and coordinating the construction and implementation of the compliance risk management system.
Compliance Management Departments of the head office	The Compliance Management Departments of the head office and branch office assists Senior Management in effectively identifying and managing the compliance risks faced by the Bank.
Business departments of head office and branches	Responsible for carrying out the daily work of compliance and risk management in the designated compliance risk management functional department, responsible for this department or organization.

Zhongyuan Bank has established a standardized management authorization system and strengthened daily risk prevention. We adhere to the principles of full coverage, balanced, prudence and matching, to build a "Three-line defense" composed of business departments, risk and compliance management departments, and internal audit departments. We also insist on moving the risk control point forward and improving the internal control management system.

The internal audit system of the Bank operates independently and vertically, integrating the leadership of the Party with corporate governance, and constructing a work pattern in which the Party Committee takes the lead, each governance entity performs its audit supervision duties, and the system operates in a coordinated and balanced manner. We have established a pre-research and discussion mechanism for audit matters by the Party Committee's audit committee. Matters requiring the Board's approval and decision-making must undergo pre-research and discussion by the Party Committee's audit committee. The Board takes ultimate responsibility for the effectiveness of internal audit, reviewing basic internal audit systems, audit plans, important audit reports, providing adequate audit personnel, sufficient funding and budgetary inclusion, and ensuring the independent operation of internal audit. The supervisory board, as the governance-level supervisory body, provides supervision and guidance for audit work. The management should support the independent performance of audit supervision duties by the internal audit department, ensure that internal audit resources are adequate and in place, and promptly take effective corrective measures based on issues and audit suggestions identified by internal audit.

The internal audit department of the Bank has actively improved the internal audit system and mechanisms. It has strengthened top-level design, adhered to regulations through system implementation, and promoted development through system adherence. The audit work has not only met regulatory requirements but also further covered key operating units, major business categories and critical risk areas. It has consciously integrated into and effectively served the overall development of the Bank. In 2023, based on the Bank's annual development plan, regulatory requirements and internal audit directives from the Bank's leadership, the audit department developed 30 planned internal audit projects, all of which have been completed.

During the reporting period

the Bank launched **10** related transaction reports | expanded the employee behavior monitoring model from **56** to **63**

We actively optimize the internal control and compliance-related technology systems, promote the construction of related Party transaction systems, organize annual work plans and investigation schemes, and improve compliance management efficiency. During the reporting period, the Bank launched 10 related transaction reports, achieved basic functions such as extracting related natural person data from the human resources system, obtaining related transaction data and statistical summaries, expanded the employee behavior monitoring model from 56 to 63, promoting the development of the employee compliance risk profile system.

During the reporting period, the Bank actively organized case alerts, self-inspections, legal compliance training and other activities, promptly issued legal compliance risk warnings, and deeply rooted the concept of "compliance with laws, stable operation" in the minds of the people, thereby creating a good atmosphere of legal compliance culture.



02 Anti-money Laundering



Zhongyuan Bank strictly follows the relevant laws and regulations such as the *Administrative Measures for the Customer Identification of Financial Institutions and the Management of Customer Identity Information and Transaction Records*, combines internal systems such as the "Anti-Money Laundering and Anti-Terrorist Financing Management Measures of Zhongyuan Bank" and the "Comprehensive Promotion Plan for the Centralized Identification of Suspected Money Laundering Transactions of Zhongyuan Bank", conscientiously fulfilling the Bank's anti-money laundering obligations.

Enhance organizational structure	The Bank is continuously strengthening the anti-money laundering mechanism, improving the anti-money laundering framework, extending the anti-money laundering requirements to cover all business positions, and promoting the management mechanism for all staff in anti-money laundering work.
Technology-oriented risk management	Introducing big data technology into the compliance knowledge base system to enhance the precision of the anti-money laundering system, constructing a complete suspicious transaction model, optimizing the anti-money laundering monitoring and reporting system.
Standardize work processes	In accordance with the regulations, verify the identity of the customer, within the specified time limit, promptly report large transactions and suspicious transactions to the anti-money laundering monitoring center.
Internal audit self-examination	Actively organize anti-money laundering self-examination, conduct special audits on anti-money laundering and anti-terrorist financing.
Anti-money laundering training	Regularly organize Board members, supervisors, compliance personnel, as well as key branches and leadership teams for anti-money laundering training, thoroughly interpret regulatory policies and situations, ensure that all staff master anti-money laundering business skills.

During the reporting period, the Bank provided online training on anti-money laundering compliance management and case analysis for over 2,600 members of the branch's anti-money laundering leadership team and staff. This initiative further enhances the awareness and capabilities of the entire bank in preventing money laundering risks.

During the reporting period



the Bank provided online training on anti-money laundering compliance management and case analysis for over

2,600

members of the branch's anti-money laundering leadership team and staff

03 Protecting Intellectual Property Rights



Zhongyuan Bank has implemented the responsibility of protecting intellectual property rights. In accordance with the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other laws and regulations, the *Zhongyuan Bank Intellectual Property Management Measures* have been formulated to regulate the examination process, application standards, usage principles, risk prevention and control of intellectual property. This ensures the legality and security of each intellectual property. During the reporting period, the Bank did not engage in any intellectual property infringement.

02

Based on Long-term Goals and Serving National Strategies

Supporting the Real Economy	21
Assist Inclusive Finance and Small and Micro Enterprises	25
Promoting Rural Revitalization	29
Practicing Social Welfare	33



Zhongyuan Bank, with a high sense of responsibility and mission, deeply integrates into national major strategies, actively connects with major local economic and social development needs, serves the real economy, deeply cultivates small and micro enterprises, and takes social responsibility, contributing to the high-quality development of the economy and society with the "Zhongyuan Power".

Supporting the Real Economy



Zhongyuan Bank takes serving the real economy as its starting point and foothold, constructs effective institutional mechanisms to support the real economy, comprehensively improves the efficiency and level of service, continuously enhances the quality and efficiency of serving the real economy, and gathers energy and strength for the development of the real economy.

01 Focus on Key Areas



Zhongyuan Bank has formulated the *Three-Year Action Plan of Zhongyuan Bank to Support the "Ten Strategies" of Henan Province*, focusing on the major strategic layout of Henan Province and serving local economic development. By leveraging the role and advantages of provincial-level legal person banks, we fully support the construction of key projects and areas in the "982 projects", "three batches of major projects", "Provincial Key" and "Double Hundred Projects". At the same time, we firmly implement major national strategies such as the rise of the central region, ecological protection in the Yellow River Basin, and high-quality development. We will support the high-quality development of the manufacturing industry as a top priority in serving the real economy, connect with the funding needs of improving the development of traditional industries, cultivating and strengthening emerging industries, and forward-looking layout of future industries, increase the supply of financial services, and promote the high-quality development of the real economy with high-quality financial services.

Zhongyuan Bank hosted the "2023 Local Government Conference on Special Bonds"

On March 24, 2023, the "2023 Local Government Conference on Special Bonds" was hosted by Zhongyuan Bank. Government departments, industry experts and scholars gave in-depth explanations and sharing on the latest policy requirements, evaluation points, case practice, field innovation, and the development process and future prospects of local government debt in the special bond business. The attending guests unanimously agreed to innovate the application areas of special bonds, increase project planning efforts, and make good use of special bond tools to promote of high-quality development in Henan Province. This meeting delved into the latest issuance policies and key hot application areas of special bonds, providing guidance and reference for Henan Province to do a good job in the 2023 special bond work and strive for more bond funds to support project construction in Henan Province.

Zhongyuan Bank's Innovative Financial Model Accelerates the Incubation and Growth of Science and Technology Innovation Enterprises

Zhongyuan Bank supports the construction of science and technology innovation characteristic industry clusters, establishes specialized technology branches, provides in-depth services to science and technology innovation parks, innovates and creates excellent science and technology innovation incubators, vigorously develops science and technology innovation finance, and accelerates the incubation, cultivation, growth and maturity of science and technology enterprises through comprehensive services such as "commercial banks + investment banks", "equity + debt", and "financing + integration". On January 9, 2023, Zhongyuan Bank and the Henan Provincial Department of Science and Technology held a strategic cooperation signing ceremony. The two sides will jointly promote the coordinated development of the real economy, technological innovation, modern finance, and talent resources, providing strong support for building a national innovation highland and promoting high-quality economic development.



Zhongyuan Bank Held Entrepreneur Exchange Symposium

On September 21, 2023, Guo Hao, the Party Secretary and Chairman of Zhongyuan Bank, was invited to attend the Empowering Platform Economy, Building Zhongyuan Strength entrepreneurs exchange seminar. Representatives from 16 companies were present. Zhongyuan Bank upholds the concept of sincerely serving enterprises, willing to interact deeply and precisely connect with partner enterprises, tailor special service schemes, empower groups of enterprises and industries to form chains and achieve mutual growth.

02 Innovative Product Supply



Zhongyuan Bank has always been committed to continuously optimizing its product structure and enriching its product functions to meet the diversified needs of the real economy. The Bank has established a Product Innovation Committee to coordinate the demand for product innovation, promote product process optimization, actively build a widely covered and multi-level financial product system, provide customers with flexible and variable financial services, and assist in the stable development of the real economy. We strengthen investment banking services such as direct financing, matchmaking and syndicated loans by developing supply chain products such as precision supplier support programs, dealer support programs, and core enterprise support programs, and enhancing our service capabilities in the real economy.



Supply Chain Financing

Zhongyuan Bank is committed to building the online supply chain financial service platform into an open service platform that combines standardization and differentiation. It not only provides standard services for core supply chain enterprises and their upstream and downstream partners, but also achieves differentiated and personalized services for specific scenarios. In the future, Zhongyuan Bank will focus on upstream and downstream enterprises in 7 major industrial clusters and 28 industrial chains, accurately grasp financial needs, and provide scenario-based supply chain financial services.





Syndicated Loans

In order to meet the large, long-term and stable funding needs of enterprises, Zhongyuan Bank has launched a syndicated loan product that is easy to operate and has a wide range of financing channels. The borrower's use of a syndicated loan scheme greatly simplifies the loan management process, while it also establishes credit relationships with multiple banks, further expanding financing channels. Zhongyuan Bank has actively organized syndicated loans, providing strong support for major projects in advanced manufacturing, cultural and tourism innovation, education and elderly care, and other fields. In 2023, the Bank participated in the fundraising of syndicated loans with a total scale of 31.2 billion and a loan commitment scale of 11.3 billion, serving 27 key industry clients.



▲ Liu Qingfen (Third from Left), Member of the Party Committee and Assistant of the Director of Zhongyuan Bank, was Invited to Attend the Opening Ceremony of Cultural Tourism Syndicated Loans Project

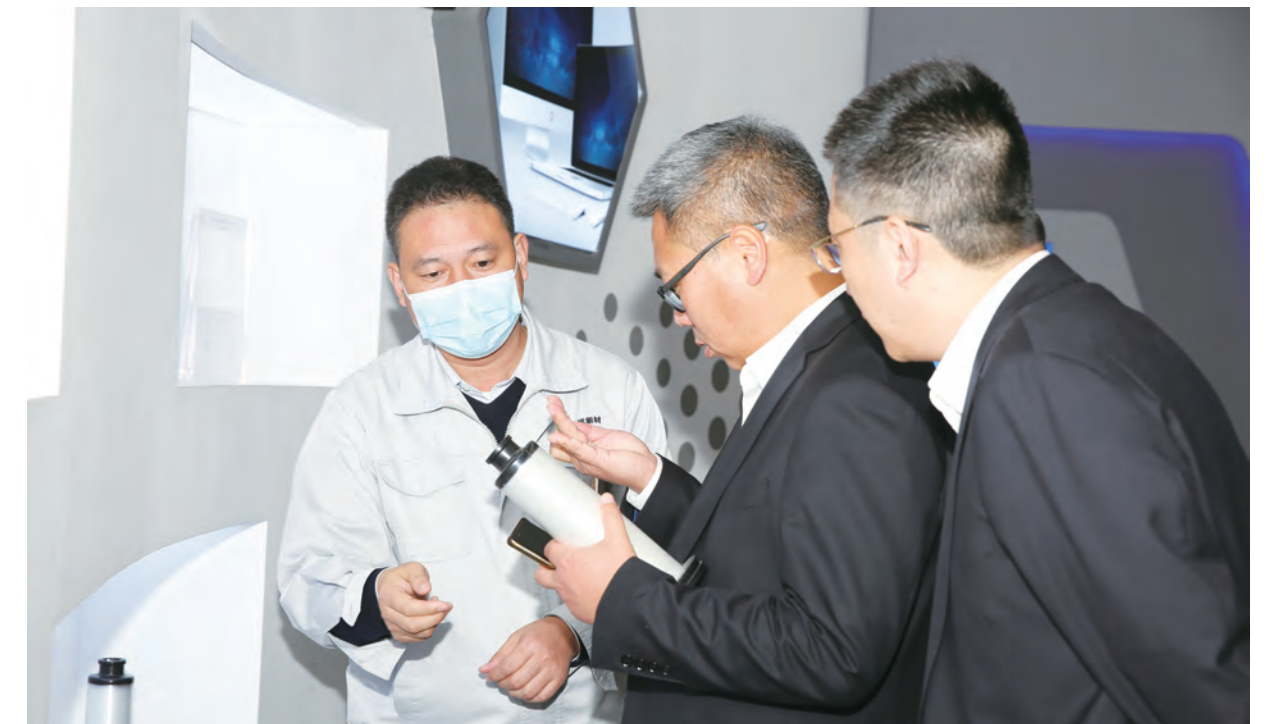


▲ Liu Juan (Second from Left), Member of the Party Committee and Assistant of the Director of Zhongyuan Bank, Led a Team to Conduct On-site Research in Industrial Parks and Enterprises



Zhongyuan Bank Anyang Branch Deepens Bank Enterprise Cooperation to Assist Enterprise Development

The Anyang Branch continues to carry out the "Bank President Visits Ten Thousand Enterprises" activity, providing precise policies to assist the development of enterprises. Anyang Branch visited a new materials company for research, further optimizing comprehensive financial services, providing precise financial service solutions for enterprises, and taking practical actions to deepen the "Bank President Visits Ten Thousand Enterprises" activity, delivering high-quality financial services to the front line of enterprises.



03 Optimize Service Processes



Zhongyuan Bank is committed to helping the enterprise with its urgent needs. We are dedicated to creating value for our customers, continuously improving service efficiency, and providing high-quality comprehensive financial services. The bank provides financial services with the best service, optimal pricing, and highest efficiency, catering to the needs of enterprises and addressing their financial needs in various aspects of production, operation, and investment and financing. The Bank regularly carries out activities such as "Assistance to Ten Thousand Enterprises by Ten Thousand People" and "Bank President Visits Ten Thousand Enterprises", connects with various industrial customer groups in the "Ten Major Strategies", delivers knowledge, policies, products and services to enterprises, and solves financing difficulties for enterprises.

Assist Inclusive Finance and Small and Micro Enterprises



Zhongyuan Bank vigorously develops inclusive finance, continuously strengthens the mechanism of inclusive finance, actively allocates and optimizes resource allocation, strengthens cooperation with all sectors of society, and jointly promotes the development of inclusive finance. We innovate service models, improve service efficiency, make financial services more convenient and efficient, and truly benefit the general public.

01 Proactive Response



Zhongyuan Bank actively responds to the demand for small and micro enterprise financial services, fully leveraging its advantages of having multiple offline branches, wide coverage, and being close to the grassroots. It conducts policy promotion activities through point-to-surface visits and research, addressing urgent concerns from individual businesses, identifying pain points and solving difficulties, fully researching needs, and providing thoughtful services. We also rely on channels such as industrial parks, service centers, and online platforms to proactively understand the financial service needs of individual industrial and commercial households, and connect the "last mile" of financial services for individual industrial and commercial households.

Zhongyuan Bank Jiyuan Branch held a financial policy briefing at Jiyuan High tech Zone in Jiyuan City

Jiyuan Branch continues to carry out promotional activities to promote and popularize special credit products and application processes that meet the needs of individual industrial and commercial households, so that more individual industrial and commercial households can fully understand and be benefitted by the policies. On August 9, 2023, the Jiyuan Branch held a financial policy briefing in the High-tech Zone of Jiyuan City, distributing financial policy manuals to more than 40 people including enterprise leaders and individual businesses in the high-tech zone. From the perspective of innovative services, we provided a detailed introduction to the advantageous products of Shangyi Loan personal version and enterprise version to the participating enterprises. At the same time, we introduced the application conditions and channels for related financial products, and answered the questions. The briefing received praise from the participating enterprises.



Zhongyuan Bank Sanmenxia Branch Held Small and Micro Business Promotion Conference

On August 11, 2023, the Sanmenxia Wenbo City Branch and Zhoukou Chamber of Commerce jointly held a business briefing, introducing in detail the product features, applicable scenarios and application process of the *Small and Micro Credit Product Service Plan* product, and deepening cooperation with local chambers of commerce and strengthening cooperation between banks and chambers of commerce.





Assist in Providing Comprehensive Service Support for Small and Micro Enterprises

Cooperation among government, banks and enterprises

Innovating the docking model between banks and enterprises. In 2023, we conducted 10 live broadcasts and 48 localized banking enterprise docking sessions on government platforms, and innovatively opened special docking meetings for science and technology innovation, manufacturing, and other industries, achieving good social effects.

Financial service platform docking

Establishing cooperative relationships with multiple financial service platforms, optimizing platform services and products based on user feedback. During the reporting period, 13,433 loans totaling 4.68 billion were disbursed to 8,288 small and micro enterprises through the Henan Provincial Financial Service Sharing Platform.

02 Exclusive Products



Zhongyuan Bank continues to develop inclusive financial products, fully considering the characteristics of the target group from multiple aspects such as loan amount, term, application conditions, repayment arrangement, interest rate fees, financial education and risk management. It formulates practical financial service plans and creates exclusive credit products that serve small and medium-sized enterprises and support the technology industry, including government procurement loans, technology loans, and commercial loans.

Advantages of Zhongyuan Bank's Inclusive Financial Products

- Flexible loan limits and terms** → For different target groups, flexible loan limits and terms can be designed to meet their specific funding needs;
- Convenient application process** → Reduce tedious information requirements and review processes, allowing more target groups to obtain loans and improving loan availability;
- Personalized repayment arrangements** → Design personalized repayment methods, repayment frequencies, and repayment pathways for different borrowers to better meet their liquidity needs;
- Low interest rates and expenses** → Taking account of the operational situation of each customer group, consider reducing loan interest rates and related expenses to reduce their burden and improve affordability;
- Financial education and support** → Provide borrowers with financial education and support to help them better understand loan products and services, enhance their awareness of repayment and fund planning;
- Low borrowing risk** → When designing loan products and services, relevant insurance and risk management mechanisms can be combined to smooth out external market risk changes and reduce borrower credit risk.

03 Resource Tilt



Zhongyuan Bank sets up a separate small and micro credit plan every year, clarifying the indicators for small and micro loans and the number of small and micro customers, and actively injecting financial vitality into the healthy development of small and micro enterprises. During the reporting period, Zhongyuan Bank issued a total of 70.9 billion in small and micro loans, with a business balance increase of 7.58 billion and a loan growth rate of 9.95%, which is higher than the growth rate of all loans in the Bank.

During the reporting period



Zhongyuan Bank Launched the Individual Business Service Month Campaign.

In July 2023, Zhongyuan Bank launched the second "Individual Business Service Month" with the theme of "precise service, optimized environment and improved quality" to support individual industrial and commercial households in relieving difficulties. During the event, the Bank organized a total of 289 promotional activities, held 54 individual business symposiums, visited 14,497 customers, distributed 62,486 promotional leaflets, collected and organized 269 feedback and suggestions from individual businesses, and invested a total of 1.056 billion in loan funds, fully providing solid financial support for the healthy and sustainable development of individual businesses.

During the event



▲ Promotion of Individual Business Service Month Hall

Promoting Rural Revitalization



Zhongyuan Bank adheres to providing financial services for rural revitalization and continuously enhances its sense of responsibility, mission and urgency of financial services in this regard. The Bank focuses on the key areas in rural development and continuously strives to improve the quality and efficiency of its financial services for rural revitalization.

01 Improved Service System



Zhongyuan Bank is fully committed to providing financial services for rural revitalization. The Bank has established a Rural Revitalization Finance Department and implemented a "three-in-one" offline service model, which includes county branches, township branches and service stations. Through this offline service model and the operation of the comprehensive online rural governance and service management platform known as "Rural Online," Zhongyuan Bank has built the basic framework for financial services dedicated to rural revitalization.

02 Promoting the Agricultural Industry



Zhongyuan Bank, rooted in the Zhongyuan and serving the local community, has always considered supporting the agricultural industry as one of its important missions. The Bank has actively responded to policy calls and continuously innovated financial products and services to provide robust support for the development of the agricultural industry.

The Bank offers a wide range of tailor-made credit products to meet the capital needs of different types of agricultural business entities, such as agribusinesses and farmers' professional co-operatives, at different stages of their development. We serve the micro-credit needs of farmers with the "Yu-Nong Loan", which drives the investment of loans to farmers in bulk and in a modelled manner; and we serve the credit needs of customers in the agricultural industry chain with the "Industrial Loan", which empowers the development of the specialty agricultural industry. We reduce the financing costs of agricultural business entities by lowering loan interest rates and simplifying loan procedures to help them improve their financing efficiency. At the end of the reporting period, the balance of Zhongyuan Bank's agriculture-related loans was 160,771 million, an increase of 8.67% year-on-year.

Account Manager's Door-to-door Survey of the Specialized Clientele of the Agri-Industry Inclusive Loan



Zhongyuan Bank and Henan Provincial Federation of Supply and Marketing Co-operation Sign Strategic Co-operation Agreement

The signing ceremony of the strategic cooperation agreement between Zhongyuan Bank and Henan Provincial Federation of Supply and Marketing Cooperatives was held in Zhengzhou in November 2023. The two sides aim to leverage strong synergies to build a prosperous future together, fostering alignment in goals, direction and efforts, and work hand in hand in building a strong agricultural province and promoting rural revitalization. Zhongyuan Bank will further exert its advantages and set up working groups around social enterprises, agricultural supply, pre-prepared vegetable industry chain, and personal services for employees. Through comprehensive and multi-level cooperation with the supply and marketing cooperative system, the bank aims to create a "social-banking cooperation" model characterized by complementary strengths, synergy, efficiency and effective risk management.



Zhongyuan Bank Supports the Construction of High-standard Farmland

Lankao is an important grain-producing area and high standard farmland construction demonstration area in Henan Province. After learning that the construction of high-standard farmland is included in the scope of our province's special bond support, Zhongyuan Bank quickly docked with the Bureau of Agriculture and Rural Affairs of Lankao. The Bank closely combined with Lankao County's high standard construction planning and demand to assist in the planning and packaging of high standard farmland projects, the production of evaluation materials, and the declaration of projects into the database. The Bank finally helped Lankao County's high-standard farmland upgrading project to successfully issue the first batch of special bonds in the province in 2023, with a financing amount of 300 million.



03 Establishing Service Points



Zhongyuan Bank's establishment of rural inclusive financial payment service points offline promotes the further decentralization of services to reach rural areas. By the end of the reporting period, over 1,000 service points had been successfully set up, covering 18 municipalities in the province and achieving coverage of more than 90% of townships.

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Rural Inclusive Financial Payment Service Points

04 Building Digital Villages



The digital village represents the strategic direction of rural revitalization. Zhongyuan Bank earnestly implements the strategy of rural revitalization and vigorously promotes the construction of digital villages. The Bank has established a comprehensive service system covering various aspects of rural party building, village affairs, finance, etc., and continues to empower local governments in digitize village governance.



"Rural Online" Platform

Zhongyuan Bank "Rural Online" App is a comprehensive rural online management service platform that provides convenient services for users in rural areas, covering six major functional sections including rural party building, village affairs, daily life, social networking, e-commerce and finance. Leveraging the Internet and big data, it serves rural governance and villagers by offering services such as medical treatment, doctor appointments and bill payments. It also allows participation in party building activities, providing convenient channels for handling affairs. The platform aims to create an online "village", improving rural life and providing great convenience to the people. Users can make online hospital appointments on the rural online platform, locating nearby hospitals based on their village location and avoiding the hassle of queuing offline. At the end of the reporting period, the "Rural Online" platform had served 2.84 million users in Henan.

Practicing Social Welfare



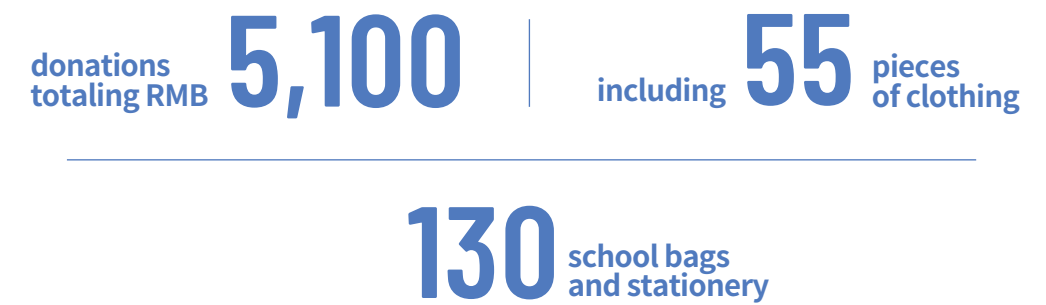
Zhongyuan Bank fulfilled its own responsibility by actively organizing various public welfare activities, with a focus on supporting disadvantaged groups and conveying warmth and care. During the reporting period, the Bank donated 480,000 to the Henan Provincial Poverty Alleviation Foundation, with a social contribution of 1.11 per share. The Bank was awarded the "2022 Henan Socially Responsible Enterprises 'Extraordinary Decade of Special Contribution'" award in the "2022 Henan Socially Responsible Enterprises 'Extraordinary Decade of Special Contributions' Award."

Zhongyuan Bank Carries Out Targeted Support Work in Leijia Village, Hengjian Township, Lushi County, Sanmenxia City

In December 2023, the secretary of the Party Committee and the chairman of Zhongyuan Bank, Guo Hao, led the team to conduct targeted assistance research, and together with the leaders of Sanmenxia Municipality, Lushi County and Hengjian Township, cut the ribbon of the project of "Leijia Village Recreation Tour of Lushi County" and visited the villagers and members of the village staff. Project ribbon-cutting, condolences to the villagers and village workers. A donation ceremony was held at the project site, in which Zhongyuan Bank mobilized three subsidiaries to donate 210,000 to support the infrastructure construction of Leijia Village.

Zhongyuan Bank Held "Caring for Rural Primary Schools, Sharing a Better Life" Volunteer Activity

In November 2023, Zhongyuan Bank, together with the Party Branch of Zhengdong New District Charity Federation, visited Yangqiao Louzhuang Primary School in Zhengdong New District to carry out the volunteer activity of "Caring for Rural Primary Schools, Sharing a Better Life" to send warmth and blessings to the children and teenagers. During the activity, donations totaling 5,100 were made, including 55 pieces of clothing, 130 school bags and stationery, demonstrating love and warmth to children and teenagers through practical actions.



Zhongyuan Bank Anyang Branch Helps Farmers with Love, Sends Warmth with Vegetables

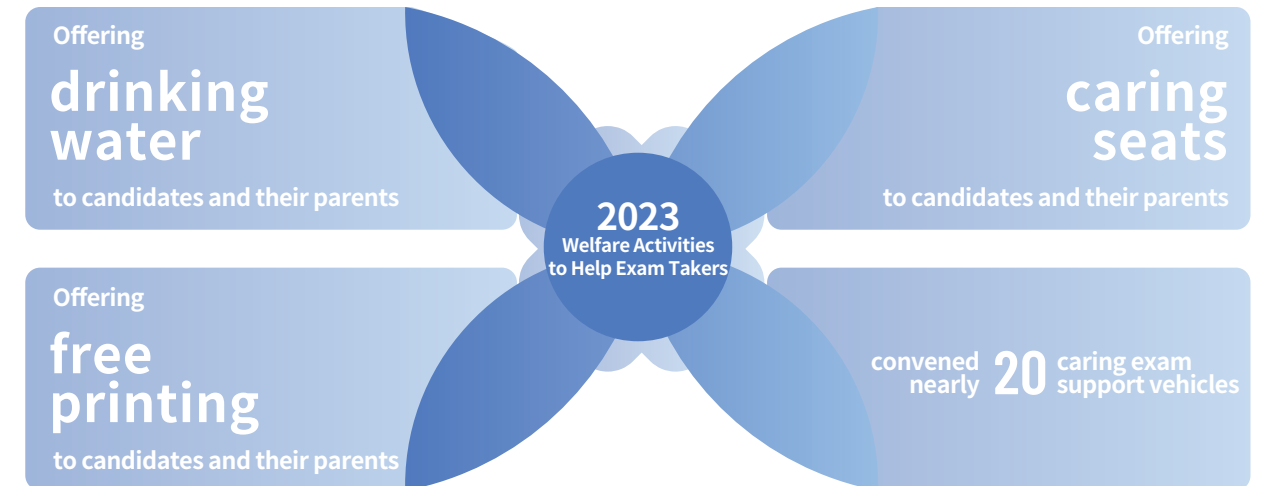
In December 2023, due to the sluggish market conditions, vegetables in Dapei Village, Wadian Township, Anyang County were severely unsold. Upon learning of this situation, the Labor Union Committee of Anyang Branch immediately contacted purchase channels and purchased 10,000 kilograms of vegetables to alleviate the problem of difficult sales for vegetable farmers. We took practical actions to help farmers alleviate their difficulties, increase production and ensure supply. This effort contributed a "Zhongyuan force" to the foundation and service of agriculture and rural areas.

purchased 10,000 kilograms of vegetables to alleviate the problem of difficult sales for vegetable farmers



Zhongyuan Bank Xinxiang Branch Launches Public Welfare Activities to Help Exam Takers

In June 2023, Xinxiang Branch launched the "2023 Love and Assistance for Exam" public welfare activity, joining hands with the majority of cadres, employees and car enthusiasts to provide free love services for college entrance examination candidates. All Zhongyuan Bank branches in Xinxiang City will serve as caring rest areas for exam candidates, offering free drinking water, caring seats, free printing and other services to candidates and their parents. The activity also convened nearly 20 caring exam support vehicles, each equipped with mineral water and exam stationery needed by the candidates, to comprehensively provide candidate services.



03

Consumer Protection Responsibility, Enhance Customer Experience



Protecting the Rights and Interests of Customers	39
Enhancing the Service Experience	44
Financial Literacy	47



Zhongyuan Bank optimizes its business processes, enhances the customer experience and is committed to providing efficient, convenient and secure financial services. We fully implement the review of consumer protection construction, safeguard personal information protection and manage complaint. We open up service channels, pay attention to the needs of special groups, promote public financial education, and satisfy the public's aspirations for a better life.

Protecting the Rights and Interests of Customers



Zhongyuan Bank strictly abides by the *Law of the People's Republic of China on Commercial Banks*, the *Law of the People's Republic of China on the Protection of Consumers' Rights and Interests*, the *Implementing Measures of the People's Bank of China on the Protection of Financial Consumers' Rights and Interests*, and the *Measures for the Administration of Consumer Complaints Handling in Banking and Insurance Sectors*. The Bank comprehensively builds consumer protection institutions and mechanisms and promotes the implementation of consumer rights and interests protection.

01 Consumer Rights Protection



Zhongyuan Bank has formulated the *Administrative Measures for Consumer Rights and Interests Protection Work of Zhongyuan Bank* and the *Administrative Measures for Consumer Rights and Interests Protection Review of Zhongyuan Bank* to safeguard the legitimate rights and interests of financial consumers. We have established a Consumer Rights Protection Committee at the Board of Directors level and a Consumer Rights Protection Leadership Team at the senior management level. In addition, a Consumer Rights and Interests Protection Sub-division has been set up under the Legal Compliance Department (Consumer Rights and Interests Protection Department) to take the lead in consumer rights and interests protection across the Bank. During the reporting period, the Bank has organised more than 4,300 special publicity activities such as the "Financial Consumer Rights and Interests Protection Education and Publicity Activity", distributing more than 513,000 copies of publicity materials to an audience of more than 4,520,000 consumers, which has achieved a good effect on financial knowledge education and publicity.

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Zhongyuan Bank Organises "3-15" Consumer Rights Protection Education and Awareness Week Activities

During the "3-15" Consumer Rights Protection Education and Awareness Week, Zhongyuan Bank played the role of network position. Business outlets, in accordance with the requirements of the campaign, through the network LED screen scrolling "rights-responsibility-risk" and "building an honest consumer environment and boosting confidence in financial consumption" theme slogans. The theme slogan of "Building an Honest Consumption Environment and Boosting Confidence in Financial Consumption" was broadcast through the LED screens of all business outlets in accordance with the requirements of the campaign. The Bank has set up counselling counters, equipped publicity explainers and placed publicity materials in public education zones to explain financial knowledge to consumers and create a strong publicity atmosphere.

Zhongyuan Bank has always been adhering to the concept of "customer-centred", and formulated the *Administrative Measures for Consumer Complaints Handling of Zhongyuan Bank* to promote the continuous improvement of service quality and customer experience. The Bank has established a complaint management organizational system comprising the head office, branches and sub-branches, and set up a leading group for consumer complaint management to appropriately deal with various issues arising from customer feedback. During the reporting period, the Bank received a total of 3,397 complaints across all channels. All complaint cases were processed, tracked, and monitored, achieving a 100% complaint resolution rate.

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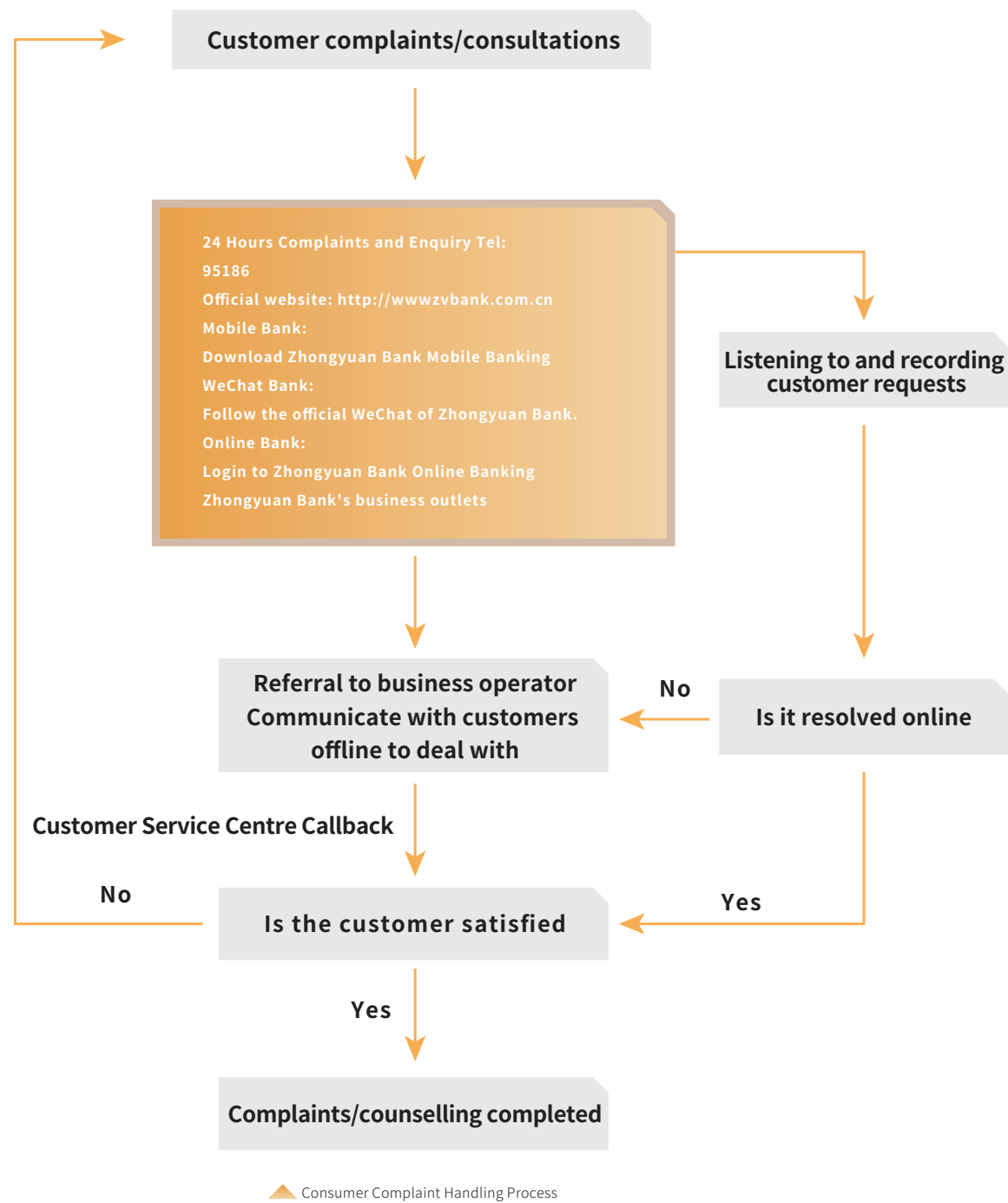
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Customer Complaint Channel of Zhongyuan Bank

Branches	Referring problems to the Bank's branch staff
Customer Service Hotlines	Call the Bank's 24-hour Complaints and Enquiry Hotline 95186 to reflect your problem.
Official Website	Complaints and enquiries online at http://www.zybank.com.cn "I want to enquire".
Mobile Bank	Download Zhongyuan Bank Mobile Banking and communicate with your questions through "Smart Customer Service Yuanbao".
WeChat Bank	Follow the "Zhongyuan Bank" official WeChat account to reach our online customer service representatives.
Online Bank	Log on to Zhongyuan Bank Online Banking and contact the Bank's online human resources customer service
Email	Send complaints to voc@zybank.com.cn
Address	Zhongke Jinzuo Building, No. 23, Business Outer Ring Road, Zhengdong New District, Zhengzhou City, Henan Province, China



Zhongyuan Bank has formulated the *Administrative Measures for Financial Marketing and Publicity of Zhongyuan Bank* to regulate the Bank's financial marketing and publicity behaviors. These measures outline strict adherence to national laws and regulations, social norms, and ethical standards, emphasizing honesty and integrity. We prioritize safeguarding financial consumers' rights to information, independent choice and personal information security. Any conduct detrimental to national or public interests or the legitimate rights of financial consumers is promptly addressed, ensuring the provision of trustworthy financial services to our valued customers.

02 Data Security and Privacy Protection

Zhongyuan Bank has strictly implemented the data security responsibility system and made it clear that the legal representative is the first person responsible for network security and data security. The Bank has constructed a data security system, including the *Measures for Information Security Management of Zhongyuan Bank*, the *Measures for Data Security Management of Zhongyuan Bank*, the *Measures for the Management of Production Data of Zhongyuan Bank's Information System*, and the *Rules for the Implementation of Data Security Grading of Zhongyuan Bank*. We formed a standardized management mechanism for the security management of the entire life cycle of data and the key management of sensitive data. Based on the concept of full life cycle management of application security, Zhongyuan Bank has formulated guidelines for the assessment of data security requirements for products and services, so as to realize the leftward shift of data security risk control. The Bank adopts multiple measures such as data encryption, data desensitization, access control, security auditing, log sensitive information scanning, etc., and continuously implements the standing security management requirements for data transmission, data usage and other important aspects, so as to ensure that the data security landing practice matches the information system construction requirements. In the process of information system construction, we carry out security requirement assessment, source code security scanning and security penetration testing to effectively reduce potential security risks before the system goes into operation.

Zhongyuan Bank Launches Cybersecurity Week 2023 "Finance Day" Community Theme Activity

In order to further enrich the public's knowledge of cybersecurity and raise their awareness of cybersecurity and preventive skills, Zhongyuan Bank carried out a thematic activity in the community on the "Finance Day" of Cybersecurity Week on September 15, 2023. The Bank popularized network security-related laws and regulations such as the Network Security Law, the Data Security Law and the Personal Information Protection Law for the public by hanging banners, putting up posters, giving on-site explanations and distributing pamphlets in places with heavy traffic. We introduced the usual methods and routines of cyber fraud to the public through the dissection of real cases, taught prevention methods face-to-face, and improved the public's preventive awareness and ability.





1 Information Security Protection System

Zhongyuan Bank conducts security testing on the operating environment of Internet application clients, carries out data security operations on a regular basis, and conducts emergency drills on information leakage from time to time. The Bank uses big data, artificial intelligence and other technologies to monitor data security risks and promptly dispose of abnormal behaviors in accordance with the emergency disposal plan.

2 Data Collection Management Measures

Zhongyuan Bank strictly complies with relevant laws, regulations and regulatory requirements on personal information protection, and adheres to the principles of lawfulness, transparency and necessity in the collection and use of customers' private information. By signing the *Agreement on the Collection and Use of Private Information* with users, Zhongyuan Bank clearly informs users of the purpose and scope of each privilege and ensures that data collection has been authorized by users. The Bank has engaged a third-party testing and certification company to conduct compliance testing of critical applications (APPs) and has provided a detailed permission management interface in the APPs to allow users to view, modify and revoke authorized permissions at any time. These measures are in place to ensure the effective implementation of risk prevention, control and compliance management.

3 Information Security Risk Control

For IT suppliers, Zhongyuan Bank strictly requires them to fulfil their security responsibilities in terms of data security. Following the principle of "minimum necessity," regular special inspections on information security outsourcing by suppliers are conducted. Suppliers are required to carry out basic information screening and sign confidentiality agreements before the start of cooperation, and to fulfil their confidentiality obligations with respect to business data, customer information and operational conditions during co-operation.

4

Information Security Education and Training

Zhongyuan Bank disseminates promotional materials on data security and privacy protection through the bank's internal mailboxes and the public account of its internal mobile office application. It offers training courses on privacy and information security management and organizes data security awareness training for all bank staff. The Bank conducts annual security awareness exams for all employees to ensure that data security and privacy protection awareness is effectively promoted.

Enhancing the Service Experience



Zhongyuan Bank is dedicated to providing customers with warm and considerate services, and has formulated the *Zhongyuan Bank Service Management Measures* and *Zhongyuan Bank Special Customer Service Management Measures* to further enhance the quality of its services. The Bank has built a four-in-one service matrix of "physical outlets + rural inclusive financial payment service points + One Point APP + remote banking". We actively promote the intelligent transformation and upgrading of physical outlets to enhance their efficiency through digital intelligence and strengthen their value as hubs linking online and offline. With mobile banking as the main channel for online customer service, we continue to optimize the basic functions of its platform and operational support capabilities, and have gradually realized the openness, scenarioizing and intelligence of mobile banking. We have continued to enhance the intelligence of remote customer services to achieve a wider service scope, faster response speed and more accurate service positioning. During the reporting period, the Bank invested 229.45 million in research and development expenses for its system development projects in the hope of bringing customers a more convenient experience with more superior digital services.

Special Customer Service Measures of Zhongyuan Bank

Improvement of Details and Warm Companion

Zhongyuan Bank has set up exclusive service facilities in each of its branches, placing amenities such as reading glasses, magnifying glasses, wheelchairs, crutches, compassionate seating and other facilities at reasonable locations in the halls to meet the special needs of the elderly customer base. We provide personalized "companion" services, raising the volume of voice, slowing down the speed of speech, and assisting customers when necessary during the service process, fully reflecting our care and respect for elderly customers.



Convenient Service Facilities

Think What You Need and Serve You Well

Zhongyuan Bank takes into full consideration the special needs of the elderly clientele, extends the door-to-door service items, and makes reasonable use of mobile PADs or portable card dispensers. Depending on the actual situation, we provide warm financial services to the elderly customers by going to their homes to handle business for special elderly customers who are seriously ill or have mobility difficulties.

Warm Service Without Leaving Home

Zhongyuan Bank has created an age-appropriate mobile banking APP featuring "larger font size, voice search, one-key call and video service" to further solve the difficulties encountered by the elderly in the use of smart technology. The Happy Mobile Banking Edition for the elderly customer group can realize the intelligent voice search function, so that the elderly who can't type can directly speak out their needs, so that the elderly can better share the fruits of the development of science and technology.

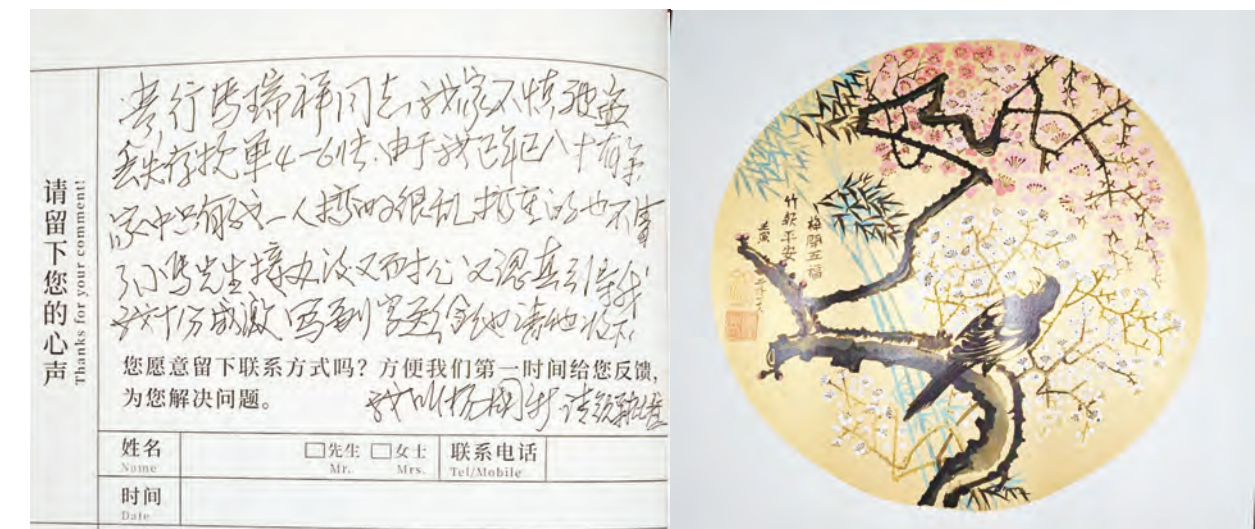


▲ Mobile Banking Happiness Edition



Mr Yang Thanks Zhongyuan Bank Luoyang Jinghua Road Sub-branch for its Efficient and Considerate Service

On June 29, 2023, Mr Yang, who is more than 80 years old, walked into Jinghua Road Sub-branch and presented a piece of brushwork inscribed by his own hand, expressing gratitude for the considerate service provided by the customer manager. Not long ago, Mr Yang had lost his certificate of deposit due to a theft at home. In response, the Jinghua Road Sub-branch opened a green service channel at the counter at the first time, and quickly and efficiently handled the lost certificate of deposit replacement business, which guaranteed the safety of the customer's funds. Mr Yang kept thanking us and wrote two pages full of Voice of Customers to express his support for Zhongyuan Bank.



▲ Customer Message Acknowledgement

▲ Customer Gift

We provide exclusive rights and services according to the different needs of different groups. We pay special attention to the ex-servicemen group, setting up green channels in our business outlets and expressing our deep respect to them through holiday care and other initiatives. We have specialized in building a warm service system exclusive to elderly customers, providing more thorough, intimate and direct convenient financial services based on the needs of the elderly clientele, and enabling the elderly to have a greater sense of gain, happiness and security in the process of intelligent development by fully taking into account their needs in the construction of an intelligent society. In response to the needs of high net worth customers for wealth preservation and appreciation and wealth inheritance, we have launched wealth inheritance businesses such as family trusts and insurance fund trusts to protect customers' wealth inheritance with our professional capabilities, and at the same time, we have created a six value-added service system covering "clothing, food, housing, transport, amusement and purchasing" that closely meets the needs of daily life and enhances the comprehensive service experience.

During the reporting period, the Bank reduced or waived bank card license fees for all types of customers by 17.85 million and annual debit card fees by 27.58 million.

During the reporting period

the Bank reduced or waived bank card license fees for all types of customers by RMB	17.85 million	annual debit card fees by RMB	27.58 million
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Financial Literacy



Zhongyuan Bank promotes the establishment of a good and sustainable financial consumer relationship. We make full use of the advantages of our branches to conduct regular financial knowledge seminars for elderly customers who are weak in financial security awareness and vulnerable to financial fraud. We explain in detail various types of financial security knowledge to our customers to improve consumers' financial knowledge and enhance their ability to prevent fraud and scams.

Zhongyuan Bank Zhengzhou Qinling Road Sub-branch Launches Financial Knowledge Popularisation Awareness Campaign

Qinling Road Sub-branch conducts "financial micro classes" to explain financial knowledge to customers based on its branches. The Bank went into the communities around its branches to popularize the prevention of illegal fund-raising, telecom fraud, anti-money laundering, credit collection, personal information protection, etc., and helped the public to raise their awareness and ability to prevent risks through on-site explanations, answering questions and other forms.



Zhongyuan Bank Kaifeng Branch Launches "Financial Literacy Rural Walk" Activities

Kaifeng Branch popularized financial knowledge to rural areas, improving the financial literacy and risk prevention awareness of the majority of rural residents. At the activity site, the staff introduced the harm of illegal fund-raising, the basic rights of financial consumers, the authenticity of RMB, anti-money laundering and other financial knowledge to the public by means of financial knowledge propaganda and prize competitions, attracting the participation of the general public. Relying on publicity positions such as township branches and rural inclusive financial payment service points, Kaifeng Branch not only popularized the financial knowledge of the public, but also created a harmonious and healthy financial environment.



Zhongyuan Bank Zhengzhou Branch Launches Financial Literacy Miles Campaign

Zhengzhou Branch explained to the students of Zhengzhou College of Finance and Economics how to use mobile payment safely, prevent illegal fund-raising, protect personal information security, maintain good personal credit and other financial basics by analyzing real-life cases that happened in an in-depth manner. We have effectively raised the awareness of financial security prevention among college students.



04

Advancing Green and Low-Carbon Initiatives, Safeguarding Green Mountains and Clear Waters

Practicing Low-Carbon Operations	51
Tackle Climate Change Response	56
Development of Green Finance	58
Promotion of Green Procurement	63



Zhongyuan Bank actively fulfills its environmental responsibilities, upholding the concept of green and low-carbon development in all aspects of its operations, and vigorously developing green financial services. We promote the implementation of low-carbon operational models, actively contributing to the realization of national goals for "carbon neutrality" and "peak carbon emissions," thereby contributing to sustainable development.

Practicing Low-Carbon Operations



The Bank actively establishes itself as a resource-saving and environmentally friendly financial institution. Through measures such as increasing video conferencing and promoting collective office space, it consistently strengthens the concept of green office and low-carbon environmental protection, thereby contributing to sustainable development.

01 Environmental Management Enhancement



Zhongyuan Bank strictly adheres to relevant laws such as the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*. The Bank has formulated five regulations and systems, including the *Comprehensive Management Measures for Zhongyuan Bank's Office Places*, to optimize energy management. We actively promote environmental protection concepts and have signed *Initiatives for Increasing Revenue and Reducing Expenditure* with various departments, calling on all employees to practice electricity, water and office supply conservation. We encourage green office practices and transportation, cultivate employees' awareness of conservation and responsibility, and resolutely eliminate resource wastage.

02 Energy Consumption



Electricity constitutes the primary energy consumption source during the Bank's operations. To achieve green operation goals, we have actively implemented a series of energy-saving measures and strictly managed energy usage. In order to ensure a year-on-year reduction in energy consumption, we have set multiple energy-saving targets to decrease electricity usage and optimize energy utilization efficiency. During the reporting period, the Bank's total energy consumption amounted to 51,695,116.39 kWh, a year-on-year decrease of 2.11%, the per capita energy consumption is 2,744.63 kWh.

During the reporting period



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51,695,116.39 kWh

a year-on-year decrease of

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the per capita energy consumption is

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Energy Saving Measures

- Timely shut down unused computers, printers and other equipment; when not in use for a short period, they should be put in standby mode, and if not used for more than an hour, the power should be completely turned off.
- Turn on lights in office spaces as needed, and promptly turn them off when people leave; make use of natural light during sunny days with sufficient daylight.
- During lunch breaks and overtime, turn off some lights to reduce electricity usage.
- Branch entrance lightboxes should be kept off during the day, and the opening and closing times at night should be flexibly adjusted according to seasonal changes and sunset times.



	Unit	2023
Electricity Consumption	megawatt hour	45,444.48
Gasoline Consumption ²	litres	206,016.23
Diesel Consumption ³	litres	11,564.45
Natural Gas Usage ⁴	m ³	436,063.64
Total Energy Consumption	kWh	51,695,116.39
Energy Consumption per Capita	kWh/employee	2,744.63

²Gasoline consumption is derived from the official vehicles and generators used by the Bank.

³Diesel consumption originates from the official vehicles and generators used by the Bank.

⁴Natural gas usage mainly comes from the use of logistics facilities, such as cafeteria stoves and gas-fired heating boilers.

03 Emission of Exhaust Gases



The exhaust gases emitted by Zhongyuan Bank during its operations mainly originate from the use of gasoline and diesel in official vehicles. The Bank adheres to the concept of green transportation and continually optimizes its modes of transportation. Based on the distance traveled, we aim to reduce emissions by prioritizing selecting transportation modes with lower fuel consumption based on distance travelled and relatively fewer carbon emissions to reduce the emission of air pollutants. During the reporting period, the Bank generated a total of 3.21 kilograms of SO_x, 385.79 kilograms of NO_x and 21.07 kilograms of PM.

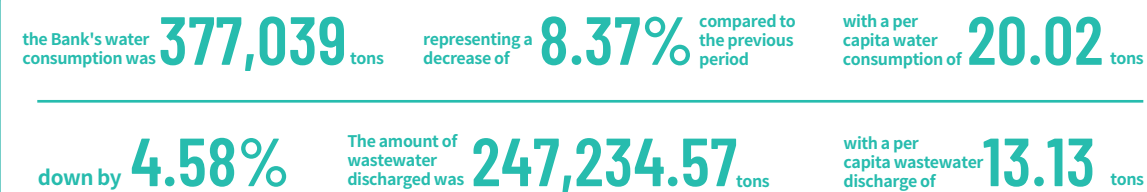
	Unit	2023
SO _x	kg	3.21
NO _x	kg	385.79
PM	kg	21.07

04 Water Resource Management



Zhongyuan Bank attaches great importance to water resource management and actively promotes water conservation among our employees. To this end, the Bank has set multiple water-saving targets and measures. We strictly adhere to the requirements outlined in the *Increase Revenue and Reduce Expenditure Initiative* regarding water conservation. Through continuous education and guidance, our employees have developed good habits of water conservation, effectively preventing the waste of water resources. The water used by the Bank comes from third-party tap water suppliers, and after use, it follows standardized sewage treatment processes before being discharged into the municipal sewage network. During the reporting period, the Bank's water consumption was 377,039 tons, representing a decrease of 8.37% compared to the previous period, with a per capita water consumption of 20.02 tons, down by 4.58%. The amount of wastewater discharged was 247,234.57 tons, with a per capita wastewater discharge of 13.13 tons.

During the reporting period



Water Conservation Measures

- Close taps when applying hand sanitizer or brushing teeth to avoid continuous water flow
- Minimize water usage when washing tea cups
- Use water dispensers judiciously and avoid wastage by dispensing water as needed



	Unit	2023
Total Water Consumption	tons	377,039.00
Per Capita Water Consumption	tons/employee	20.02

05 Waste Management



Zhongyuan Bank has established clear goals to reduce waste generation during its operations to minimize its environmental impact. Through the implementation of green office practices and promoting recycling and resource efficiency, we actively encourage employees to take concrete actions to reduce waste generation and advocate for waste sorting and recycling to maximize resource utilization. As a non-production-oriented enterprise, our main business activities do not involve high pollution or emission-intensive processes, thus we do not generate significant hazardous waste. For the limited hazardous waste generated in daily operations, such as batteries and discarded light tubes, we engage qualified third-party waste management companies for proper disposal.

During the reporting period, the Bank generated 657.41 tons of non-hazardous waste and 1.05 tons of hazardous waste, with a disposal amount of 73.02 tons for non-hazardous waste. The per capita generation of non-hazardous waste was 0.03 tons, and the per capita generation of hazardous waste was 0.06 kilograms.

Green Office Practices

- Reduce paper consumption and encourage online operations, avoiding unnecessary printing
- Double-sided printing for all documents unless otherwise specified, minimizing color printing
- Pre-check documents before printing to minimize errors and duplicates
- Collect and reuse reusable paper products

Recycling and Resource Efficiency

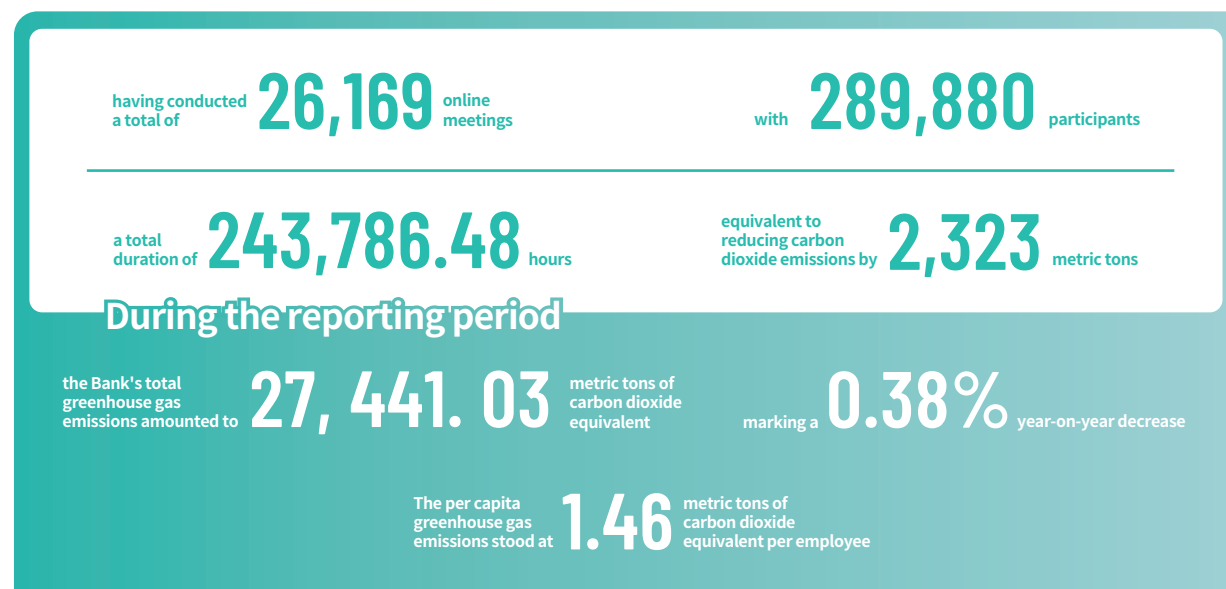
- Office supplies are distributed on demand, maximizing the utilization of existing resources.
- Consciously reduce the use of disposable items, such as restroom hand towels
- Reduce office and miscellaneous expenditures to enhance resource utilization efficiency

Non-hazardous waste	Unit	2023
Scrap Vehicles	tons	8.8
Kitchen Waste	tons	350.79
Office Paper Waste	tons	27.59
Office General Waste	tons	270.23

Hazardous waste	Unit	2023
Discarded Office Batteries	tons	0.42
Discarded Light Tubes	tons	0.63

06 Greenhouse Gas Emissions

Zhongyuan Bank's carbon emissions primarily stem from the use of purchased electricity, municipal heating and fuel. In response to environmental calls, we are committed to reducing greenhouse gas emission intensity to minimize our environmental impact. We advocate for online meetings to aid carbon reduction efforts, having conducted a total of 26,169 online meetings with 289,880 participants and a total duration of 243,786.48 hours, equivalent to reducing carbon dioxide emissions by 2,323 metric tons. During the reporting period, the Bank's total greenhouse gas emissions amounted to 27,441.03 metric tons of carbon dioxide equivalent, marking a 2.22% year-on-year decrease. The per capita greenhouse gas emissions stood at 1.46 metric tons of carbon dioxide equivalent per employee⁵. This represents a 2.27% decrease compared to the previous period.



⁵Note: Greenhouse gas emission data is presented in terms of carbon dioxide equivalent; the electricity emission factor is sourced from the latest nationwide average emission factor published by the National Ministry of Ecology and Environment in 2022, with a value of 0.5703 t CO₂/MWh; data calculations refer to the Guidelines for Corporate Greenhouse Gas Accounting and Reporting (Revised Edition 2022); the heat emission factor used is 0.11 tCO₂/GJ.

	Unit	2023
Scope 1 Greenhouse gas emissions	tonnes of CO2 equivalent	1,521.43
Scope 2 Greenhouse gas emissions	tonnes of carbon dioxide equivalent	25,916.99
Total Greenhouse gas emissions	tonnes of CO2 equivalent	27,438.42
Greenhouse gas emission intensity	tonnes of CO2 equivalent/employee	1.46

Tackle Climate Change Response

In accordance with the *Task Force on Climate-related Financial Disclosures (TCFD) guidelines*, Zhongyuan Bank organizes the identification and assessment of climate change risks and opportunities. Climate change risks include transition risks and physical risks, while climate change opportunities encompass resource efficiency, low-carbon energy, new markets, new technologies and new services. We identify the risks and opportunities of climate change that may occur during short-term, medium-term, and long-term operations in the future, along with their corresponding financial impacts. Utilizing a qualitative assessment approach, we rank identified risks based on the likelihood, impact, adaptability, and resilience of events, categorizing their impact intensity as "low," "medium," or "high."

Type of risk	Climate risk factors	Risk classification	Examples of risks	Time dimension	Business areas covered	Impact intensity
Physical Risk	Heat waves	Acute Operational Risks	During heat waves, employees may be unable to work due to heat exhaustion, heat stroke or other health conditions caused by the extreme heat, resulting in higher operating costs.	Long-term	Bank-wide	Medium
	Earthquakes	Acute Operational Risks	The risk of earthquakes is low as the Bank's offices are not geographically located in areas prone to earthquakes.	Long-term	Bank-wide	Low
	Typhoons	Acute Operational Risks	The risk of typhoons is low as our offices are located away from typhoon-prone areas.	Long-term	Bank-wide	Low

Type of risk	Climate risk factors	Risk classification	Examples of risks	Time dimension	Business areas covered	Impact intensity
Physical Risk	Extreme weather events	Acute Operational Risks	Natural disasters such as droughts, floods and storms are common in the Bank's region, affecting customers' business activities and increasing the risk of loan defaults	Long-term	Bank-wide	High
	Sea level rise	Acute Operational Risks	The risk of sea level rise is low as the Bank's offices are not located along the coastline.	Long-term	Bank-wide	Low
Transition Risk	Energy	Acute Operational Risks	As the Bank is not involved in manufacturing, the main source of energy used by the Bank is purchased electricity and therefore the risk of energy stress is low.	Short-term	Bank-wide	Low
	Water resources	Chronic Operational Risks	The risk of water shortage is low as the Bank's offices are in a non-high water stress area.	Short-term	Bank-wide	Low
	New policies for low carbon economy transition	Market and Technology Risks	China's commitment to the 3060 dual carbon target and the introduction of new government policies to support the low carbon transition have increased the Bank's research and development costs and corresponding market competition in green finance.	Long-term	Bank-wide	High
	Market Changes	Market and Technology Risks	Climate change may trigger a shift in investor preferences, resulting in decreased expected returns for carbon-intensive assets. As a result, the related assets held by the Bank may face the risk of devaluation, while investment volatility may also increase accordingly.	Long-term	Bank-wide	High
	Reputation Impact	Market and Technology Risks	Continued financing of high-polluting, high-energy-consuming enterprises or significant holdings of such assets may tarnish the Bank's image and reputation, thereby adversely affecting business development.	Long-term	Bank-wide	High

Furthermore, we have identified the following climate-related opportunities:

Climate-related Opportunities

- Investment in Renewable Energy**

The region where our bank operates is rich in wind and solar energy resources, offering promising opportunities for the development of renewable energy projects.
- Green Financial Products**

Given the impact of climate change on the economy, launching financial products that support environmental protection and sustainable development, such as green loans and green bonds, can meet societal demands and create new profit opportunities.
- Product and Service Opportunities**

The transformation of high-carbon industries and the development of low-carbon industries both face significant funding gaps, creating demand for related transformation finance.

Development of Green Finance



The bank resolutely implements the decisions and arrangements of the Central Committee of the Communist Party of China, actively practices the national "dual carbon" goals, and accelerates the development of green finance business. We improve the top-level design of green finance, deepen the green transformation of business models, and closely integrate local resources and environmental characteristics to further enhance the professionalism and effectiveness of green financial services. We are committed to building a specialized and distinctive brand with a clear "green and low-carbon" feature, using the power of finance to promote sustainable and healthy development of the economy and society. We contribute our financial wisdom and strength to the construction of a beautiful China.

01 Green Finance Strategy

Zhongyuan Bank has established a high-level leadership mechanism to promote the comprehensive development of green and low-carbon initiatives within the Bank. We have formulated the *Three-Year Action Plan and Service Scheme to Support Henan Province's "Ten Major Strategies"* to prioritize supporting the green and low-carbon transformation. Additionally, we have introduced the *Strategic Plan for the Development of Green Finance in Zhongyuan Bank* to fully support the commencement of major local green projects.

To better serve the development of green finance in Henan Province, we have established the Science and Technology Innovation "Dual Carbon" Financial Service Center, which is responsible for the development planning of green finance, industry policy research and formulation of marketing guidelines. At the same time, we have established a collaborative system to achieve efficient response mechanisms, with the head office providing guidance, branches driving initiatives and sub-branches implementing projects, thereby promoting the implementation of green and low-carbon projects across the province.

02 Green Finance Policy

Zhongyuan Bank actively responds to the national dual carbon goals by formulating relevant policies such as the *Zhongyuan Bank Green Credit Granting Guidelines* and the *Zhongyuan Bank Green Credit Implementation Management Measures*, strengthening environmental and social risk management. We are committed to integrating environmental and social risk management requirements into the entire investment and financing process, increasing environmental and social risk assessments in due diligence, review and approval and post-loan management stages. The Bank has established a priority review and approval mechanism for green credit to encourage increased allocation of green credit funds.

To promote the development of green finance business, the Bank has implemented special incentive policies. Within internal assessments, the Bank has set up separate scoring items for green finance business to encourage operating units to increase their engagement in green business. Additionally, the Bank has implemented pricing for green credit to encourage proactive marketing of green business by operating units.

Policy Process



During the credit project review process, Zhongyuan Bank has established clear admission criteria and differentiated credit policies for the "two high and one surplus" industries. For cement, steel, coke and electrolytic aluminum enterprises, we implement a credit admission list management system. We continuously monitor industry developments and policy changes, promptly adjusting related industry credit policies and processes to guide credit funds towards pollution prevention, energy conservation and environmental protection technology transformation and other green areas, thereby promoting the comprehensive development of green finance.

Key Supported Business Areas



03 Implementing Digital Transformation

Zhongyuan Bank has consistently pursued a strategy of digital transformation, continuously optimizing its green credit system to enhance the quality of green credit management and facilitate the development of green businesses. Through improved technological means, we have improved the green credit system to better meet market demands and the requirements of business development. During the reporting period, the Bank has completed the development and launch of the second phase of the green credit system, further enhancing the functionality of carbon emission calculation for operational and investment activities. This enhancement has improved the functional capabilities and accuracy of the green credit system, not only reducing environmental risks for customers but also facilitating more effective management of green credit business activities by the Bank.

04 Cooperation, Exchange and Capacity Building

Zhongyuan Bank continuously strengthens cooperation, exchange and capacity building by establishing a platform for green finance exchange and sharing experiences with various stakeholders to jointly promote the vigorous development of green finance. Additionally, the Bank conducts relevant training programs to continuously enhance the professional competence and practical skills of its staff in green finance, providing strong support for the implementation of green finance projects.

Cooperation and Exchange



Zhongyuan Bank actively engages in cooperation and exchange with departments such as the Development and Reform Commission, the Department of Industry and Information Technology, and the Department of Natural Resources of Henan Province. The Bank has established a regular communication mechanism, aligning its business opportunities with the list of key projects in Henan Province for 2023, carbon peak projects for 2023, and the "Three Lists of One Batch" projects. Simultaneously, we organize financial forums with the theme of "Finance Boosting Industrial Innovation and Green Development" and jointly host the inaugural 2023 Energy Conservation Week "Zhongyuan Zero Carbon Cup" Green Manufacturing Application Innovation Competition with the Department of Industry and Information Technology of Henan Province. These initiatives effectively serve high-quality green technological renovation projects in our province, and convey Zhongyuan Bank's determination to support green and low-carbon projects to the market. Through these cooperative exchanges, the Bank continuously deepens cooperation of green businesses and drives sustainable economic development.



Zhongyuan Bank Hosts Financial Forum Sub-forum on Green and Low-carbon Themes

On February 18, 2023, the Zhongyuan Financial Forum themed sub-forum "Financial Support for Industrial Innovation and Green Development Forum" was held, focusing on "Financial Support for Industrial Innovation and Green Development". The forum invited renowned experts from government, enterprises, and academia to explore feasible pathways for financial assistance in green industrial development from multidimensional perspectives, thereby continuously expanding the brand influence of "Finance Empowers Technology, Double Carbon Embroiders Green Mountains, Zhongyuan Co-growth".



Zhongyuan Bank Organizes Henan Province Industrial Energy Conservation Week and "Zhongyuan Zero Carbon Cup" Green Manufacturing Technology Application Innovation Competition

On July 10, 2023, the Henan Province Industrial Energy Conservation Week and "Zhongyuan Zero Carbon Cup" Green Manufacturing Technology Application Innovation Competition, organized by Zhongyuan Bank, was launched in Zhengzhou. The competition, lasting for three days, focused on industries such as chemical engineering, building materials, metallurgy and other manufacturing sectors. It aimed to collect innovative applications of green manufacturing technology in Henan's manufacturing industry, showcasing achievements in green and low-carbon transformation. Zhongyuan Bank provides intention credit support to award-winning enterprises, promoting high-quality development of green and low-carbon manufacturing throughout the province.



2

Capacity Building

Zhongyuan Bank strengthens the capacity building for green finance, adopting a strategy of leading by concept and action. It emphasizes on enhancing the dissemination of green finance concepts, with a cumulative release of 36 issues of dynamic policies on science, technology, and dual carbon during the reporting period. We conducted specialized training on ESG management, hydrogen energy industry, photovoltaic industry and other areas for all staff, guiding them to delve into the study of green dual carbon fields, conduct in-depth research on segmented industries, and analyze industry policies, market space and business opportunities. This approach strengthens the understanding and application of green finance and provides professional guidance for the business development of branches. Additionally, we focus on enhancing the professional capabilities of relationship managers, equipping them with a wealth of knowledge in green industries to better promote the development of green dual carbon businesses.

05 Innovation in Green Products and Services

Zhongyuan Bank focuses on six core green areas, including the green and low-carbon transformation of traditional industries and the green upgrade of infrastructure, to create a comprehensive product and service system. Building upon this foundation, with the "Zhongyuan Green Finance" product system as the cornerstone, we continuously explore and introduce distinctive green credit products, aiming for outstanding development in the field of green credit and establishing a green bond business with the unique characteristics of Zhongyuan Bank. We consistently promote the innovation and upgrade of the green financial service system, thus forming a favorable development trend where the green credit business is excellent, the green bond business has distinct characteristics, and the innovation of the green financial service system is leading.

1

Sustainable Development-Linked Loans

Zhongyuan Bank actively responds to Henan Province's green transformation strategy by collaborating with ecological and environmental departments to explore green transformation plans for high-polluting industries. In response, we have introduced Sustainable Development-Linked Loans, linking loan interest rates to borrowers' pollution reduction, carbon reduction, unit energy consumption, ESG ratings and other sustainable development performance indicators, thereby incentivizing enterprises to actively participate in green and low-carbon transformation. We have innovated the application of pricing mechanisms by linking the completion of sustainable development performance indicators with loan interest rates, stimulating borrowers' initiative and facilitating the achievement and fulfillment of enterprises' sustainable development performance goals. Additionally, we conduct specialized training on green finance to advocate for the importance of green industry development and promote Sustainable Development-Linked Loans in our financial products.

The Nanyang Branch of Zhongyuan Bank successfully granted a Sustainable Development-Linked Loan to a metallurgical smelting enterprise in Henan Province.

On January 13, 2023, the Nanyang Branch successfully granted a Sustainable Development-Linked Loan of 243 million yuan to a alloy smelting enterprise in Henan Province. When promoting the project loan demand of this enterprise, the Nanyang Branch delved into its business characteristics and development philosophy, and innovatively optimized tailored credit products and services, considering its research and development and promotion of new processes, products, equipment and technologies for steel refining protective materials. This loan is expected to guide the enterprise to save 37,100 tons of standard coal and reduce carbon dioxide emissions by 113,400 tons, actively contributing to the achievement of Henan Province's dual-carbon goals.



2

Green Credit

Zhongyuan Bank has long positioned its strategy as "root in Zhongyuan, cultivate Zhongyuan, rely on Zhongyuan, serve Zhongyuan", dedicated to providing comprehensive support for local economic development. The Bank implements the green and low-carbon transformation strategy of Henan Province, strengthens its connection with industries, and prioritizes support for the development of green enterprises. By continuously enhancing its research capabilities in the green industry, the Bank continuously improves its green review and approval mechanisms, establishes green channels, and better promotes green sustainable development to achieve a win-win situation for both the Bank and the enterprises. During the reporting period, Zhongyuan Bank supported a loan of 140 million yuan for the landing project of the world's largest carbon dioxide hydrogenation green and low-carbon methanol plant, which was the first of its kind in China. This case has been successfully selected as a "Typical Case of Inclusive Finance in China (2023)". During the reporting period, the balance of green credit of the Bank was 33.691 billion yuan, accounting for 4.91% of the loan balance.

Zhongyuan Bank supports the establishment of a green and low-carbon methanol plant using carbon dioxide hydrogenation.

In February 2023, the world's first 100,000-ton green and low-carbon methanol plant was officially put into operation in Anyang, marking a significant milestone in the city's industrial transformation and development. Following closely with the industrial transformation and development of Anyang City, Anyang Branch has continuously increased its support for green dual-carbon projects. As the sole credit-granting institution for this project, Anyang Branch has provided a total of 200 million yuan in financial support, making positive contributions to the promotion of green industry development. After the completion and commissioning of the project, it is expected to comprehensively utilize coke oven gas of 360 million Nm³/year, produce 110,000 tons/year of methanol and 70,000 tons/year of associated LNG, while reducing carbon dioxide emissions by 44 million Nm³/year (approximately 96,000 tons). The project is expected to bring significant economic, social, and ecological benefits.



▲ Guo Hao, the Party Secretary and Chairman of Zhongyuan Bank, Led a Team to Conduct On-site Research at the Project Command Center.

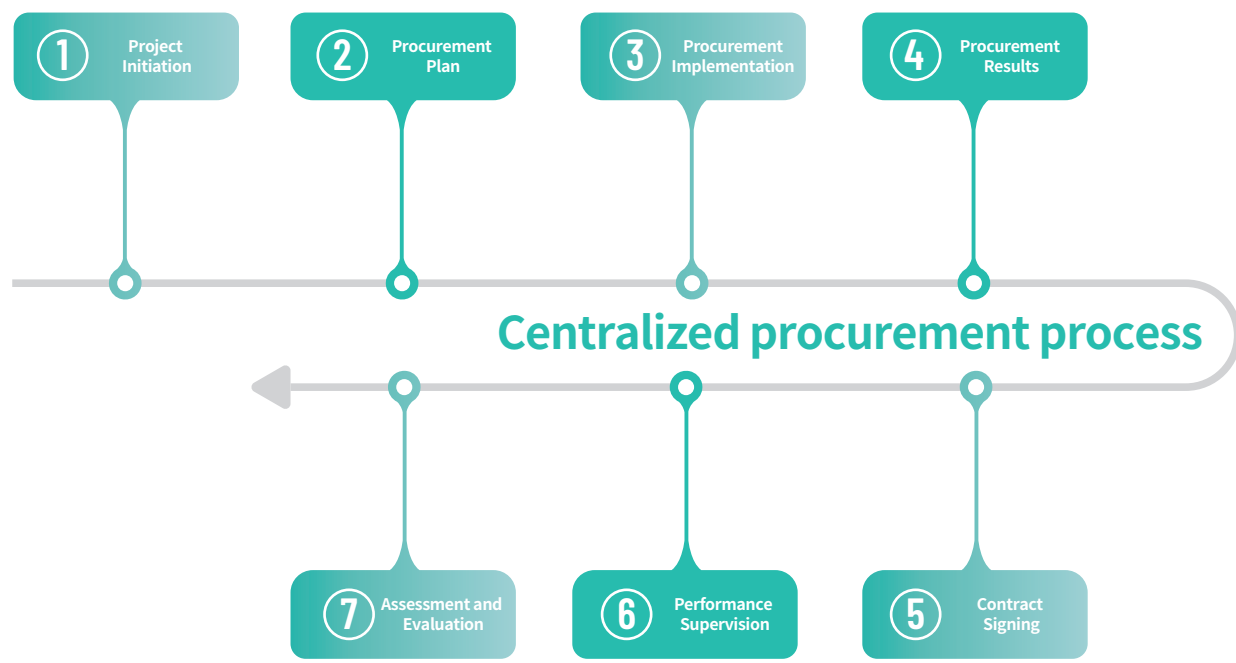
3 Green Bonds

Zhongyuan Bank continues to enrich its green financial products to promote the development of green bonds and better support and facilitate sustainable development projects. During the reporting period, Zhongyuan Bank has successfully obtained the administrative for 5 billion of green finance bonds, making it one of the largest green finance bonds approved in Henan Province, and also marking the first green financial bond approved by regulators in Henan Province in 2023.

Promotion of Green Procurement



Zhongyuan Bank strictly adheres to the laws and regulations such as the *People's Republic of China Tendering and Bidding Law* and its implementation regulations in conducting procurement management. It has formulated ten regulations including the *Zhongyuan Bank Procurement Management Measures* and the *Zhongyuan Bank Centralized Procurement Management Committee Work System*. During the reporting period, seven new regulations were added, such as the *Zhongyuan Bank Centralized Procurement Contract Performance Management Implementation Rules* and the *Zhongyuan Bank Centralized Procurement File Management Implementation Rules*. The Bank closely monitors the procurement policies and trends of the national and Henan province governments to ensure that procurement activities are conducted openly, fairly and impartially. During the reporting period, number of suppliers where the practices are being implemented is 1,156.



01 Supplier Admission



Zhongyuan Bank has always adhered to the core concept of responsible procurement, following the *Zhongyuan Bank Supplier Management Regulations*, and fully considering suppliers' environmental and social responsibility performance. The Bank has formulated the *Zhongyuan Bank Supplier Management Regulations* based on the principles of "strict admission, tiered management and dynamic maintenance," comprehensively evaluating suppliers' qualifications, environmental practices and social responsibilities. We assess the materials provided by suppliers, such as business qualifications and corporate credit reports, to identify potential risks. For key suppliers, we conduct on-site investigations to proactively identify environmental and social risks in the supply chain. During the reporting period, the Bank conducted 114 public tenders, representing a 3.8% increase compared to the previous year.

02 Supplier Management



In the daily management of suppliers, Zhongyuan Bank utilizes the internet and other media to monitor negative information about suppliers stored in databases. For suppliers involved in misconduct, the Bank strictly follows regulations for handling, including warning discussions and disqualification, to maintain supply chain stability. Simultaneously, we actively establish e-commerce platforms, optimize standardized procurement processes for commodities, and achieve transparency and standardization of procurement information. All handling information is recorded in the procurement management platform to ensure the fairness and transparency of procurement activities.

03 Supplier Communication



Zhongyuan Bank not only focuses on fulfilling its own social responsibilities but also actively promotes suppliers to undertake social responsibilities. We not only make efforts to fulfill our own social responsibilities but also actively encourage suppliers to fulfill theirs. Through regular training and exchange activities, we discuss the importance of social responsibility with supply chain partners, enhancing both parties' awareness of social responsibility. At the same time, we continue to promote the implementation of green procurement, guiding suppliers to fully consider environmental factors and social responsibilities in their products and services, jointly promoting the construction of a green and sustainable supply chain.

04 Integrity in Procurement



Zhongyuan Bank adheres to the principles of openness, fairness, integrity and cleanliness in its procurement cooperation with suppliers. We firmly oppose commercial bribery, ensuring that the procurement process is not used to seek any illegal benefits. We prohibit providing benefits to partners or employees in any form or engaging in any actions that harm the interests of both parties. We strive to create a transparent, compliant procurement environment to ensure that procurement activities are conducted in a standardized, transparent, and efficient manner.

05

Uniting Team Strength and Supporting Employees Growth

Protection of Employees' Rights and Interests	67
Employee Career Development	69
Strengthen Employee Care	71
Occupational Health and Safety	74



Zhongyuan Bank firmly believes in the "people-oriented" employment philosophy, always upholds the value of "employees are the cornerstone of sustainable development of the enterprise", safeguards the legitimate rights and interests of employees, provides diversified compensation and welfare, builds a talent development system, and realizes the common growth of the enterprise and employees.

Protection of Employees' Rights and Interests



Zhongyuan Bank is committed to safeguarding the legitimate rights and interests of its employees, attaches great importance to the construction of a sound employment management system, salary and welfare system, and continuously improves its recruitment and employment, salary distribution, and welfare care related systems and processes, fully safeguarding the legitimate rights and interests of employees.

01 Compliant Employment



Zhongyuan Bank strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and has formulated the *Zhongyuan Bank Administrative Measures for the Labor Contract System*, the *Zhongyuan Bank Administrative Measures for Personnel Recruitment*, and *Zhongyuan Bank Administrative Measures for Resignation*, continuously standardizing the recruitment and employment process. The Bank regularly reviews its recruitment process to avoid child labour and forced labour, and will deal with such cases in accordance with laws and regulations.



Zhongyuan Bank Successfully Holds 2024 Special Lecture on Campus Recruitment for Zhengzhou University

On October 20, 2023, Zhongyuan Bank held a special lecture on campus recruitment for Zhengzhou University in 2024. President Liu Kai gave keynote speeches such as "My Good Job in My Heart", "Zhongyuan Bank-the Bank of local citizens in Zhongyuan area", "How to Help College Students Grow", and "How to Solve the Worries of College Students". After the presentation, the head office's science and technology innovation department and relevant personnel from the human resources department answered the questions raised by the students. This press conference set up on-site lucky draws, quizzes, and other activities, creating a lively atmosphere and achieving good publicity results, attracting more outstanding talents to support the high-quality development of Zhongyuan Bank.



The Bank always adheres to the principles of fairness, openness, merit selection and compliance in recruitment work, firmly opposes employment discrimination, and provides equal job opportunities for candidates of different genders, ethnicities, ages, marital status, religious beliefs and cultural backgrounds. We firmly prohibit illegal activities such as child labor and forced labor. After verifying the employment materials of the hired personnel during the signing process, we will sign labor contracts with the hired personnel in accordance with relevant national and local laws and regulations to fully protect their legitimate rights and interests. During the reporting period, the Bank had a total of 18,835 full-time employees. The number of employees classified by gender, ethnicity, age and education level is as follows.

Classification		Employees in 2023	Percentage
Gender	Male	9,526	50.58%
	Female	9,309	49.42%
Ethnicity	Han	18,174	96.49%
	Others	661	3.51%
Age	Aged 30 and below	3,964	21.05%
	Aged 31 to 40	9,739	51.71%
	Aged 41 to 50	3,216	17.07%
	Aged 50 and above	1,916	10.17%
Education	Master and above	2,824	14.99%
	Bachelor	13,346	70.86%
	Junior college	1,923	10.21%
	High school and below	742	3.94%
Region	Henan province	18,835	100%



Zhongyuan Bank was Awarded the Honorary Title of "Most Promising Employer" by Zhilian Recruitment in 2023

02 Salary Management



Zhongyuan Bank provides employees with competitive salary benefits and has formulated the *Zhongyuan Bank Employee Salary Management Measures*. The Bank has designed a salary structure based on the principles of "employee oriented, benefit-oriented, performance-linked and fairness", and the concept of "paying for abilities, responsibilities and contributions". We have established a sound salary management system and a scientifically reasonable incentive and constraint mechanism.

The regular salary of employees includes basic salary, position salary, and performance-based salary. Among them, the basic salary is mainly determined based on the professional competence and work abilities of employees, fully mobilizing the work enthusiasm of talents, and guiding employees to continuously improve themselves. The position salary is determined based on factors such as the core value of the position and market substitutability. The performance-based salary is based on performance contributions and assessment results, and strictly implement the concept of "salary can rise or fall".

We have formulated a senior management assessment and salary management system based on relevant regulations such as the *Guidelines for the Supervision of Stable Salary in Commercial Banks* and in combination with actual development situations. At the same time, the Bank fully leverages the guiding role of salary in its operations and risk management, promoting stable operation and sustainable development. According to regulatory requirements, in accordance with the principle of combining short-term and long-term incentives, effective incentives and responsibility constraints, we formulate and implement management measures for deferred payment and recovery of performance-based compensation.

03 Employee Welfare



Zhongyuan Bank has formulated the *Zhongyuan Bank Welfare System Management Measures*, established a comprehensive welfare management system covering statutory and supplementary welfare, actively created a good working atmosphere, reflected the development concept of "employee oriented", and continuously improved employee happiness.

The Bank reasonably arranges employee working hours, implements paid leave, and formulates the *Zhongyuan Bank Administrative Measures for Leave and Attendance*, which stipulates that employees can enjoy various types of leave, including public holidays, statutory holidays, annual leave, marriage leave, funeral leave, family planning leave, parental leave, work-related injury leave, sick leave, personal leave and one-child care leave. At the same time, employees are encouraged to take paid leave and extend the period of annual leave until June 30th of the following year, with corresponding subsidies given based on the number of days of annual leave that employees have not taken.

In order to improve the level of employee medical security, the Bank has established a multi-dimensional and multi-level medical insurance system. On the basis of basic medical insurance, a unified supplementary medical insurance system has been established to achieve full coverage of group commercial insurance and supplementary medical insurance projects.

In order to better ensure the level of benefits for employees after retirement, we have established an enterprise annuity plan on the basis of participating in basic pension insurance in accordance with the law to achieve overall management of enterprise annuity.

Employee Career Development



Zhongyuan Bank attaches great importance to the construction of talent development system, continuously pays attention to the training needs and career development channels of employees, customizes education and training plans and talent promotion plans based on their personal career development needs, and provides a broad platform for employee growth and development.

01 Employee Training



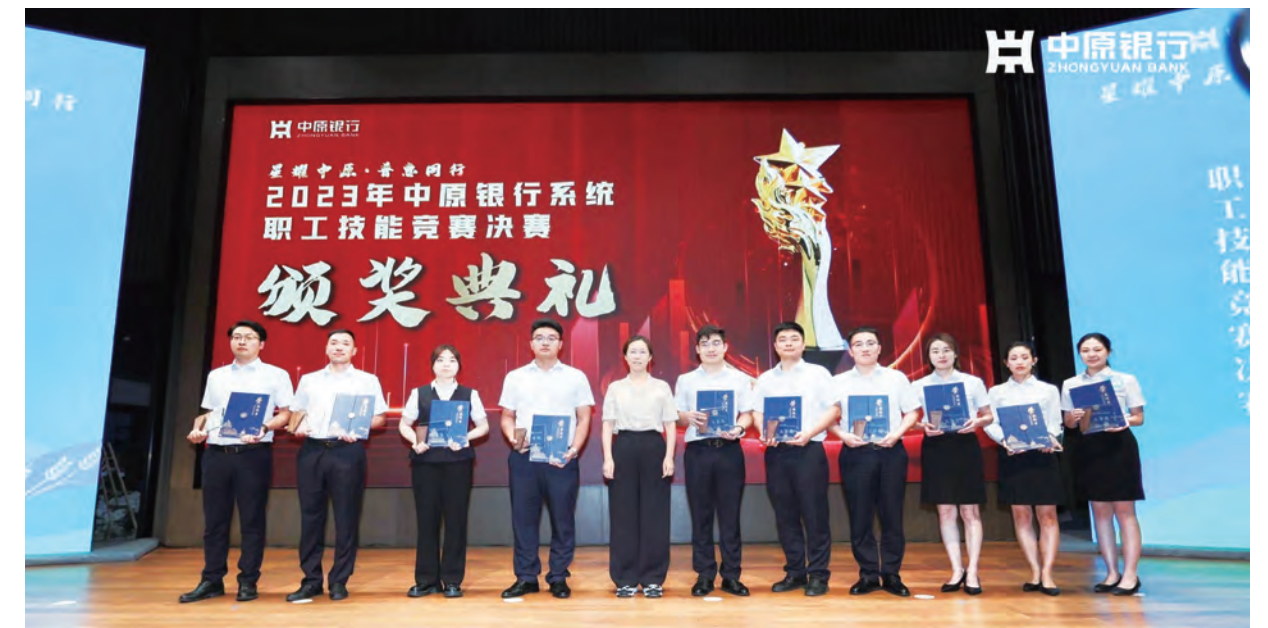
Zhongyuan Bank has always adhered to the guiding ideology of employee oriented, continuously improving the training system and enhancing the quality of training. We have formulated a series of training management measures, including the *Zhongyuan Bank Measures for the Training and Management of Staff*, *Zhongyuan Bank Measures for the External Vocational Qualification Certification*, and *Zhongyuan Bank Measures for the Training and Management of New College Students*, based on our business development strategy, forming a unified principle, unified planning, graded management and graded implementation training management mechanism.

We focus on the pertinence and effectiveness of training, and the human resources department of the head office and the human resources department of the branch are respectively responsible for guiding, inspecting, supervising and assessing the training work of the head office and branches. By organizing diverse training programs, including new employee onboarding training, professional skill enhancement training, leadership development training, etc., we continuously improve the comprehensive quality and business ability of employees.

Average number of training hours for senior and middle-level management staff	Hour	167
Average number of training hours for junior	Hour	136
Average number of training hours for ordinary staff	Hour	106

Zhongyuan Bank holds the 2023 Zhongyuan Bank System Employee Skills Competition

On September 15, 2023, Zhongyuan Bank held the final of the 2023 Zhongyuan Bank System Employee Skills Competition. This final was divided into two major stages: skill evaluation and knowledge quiz. In the skill evaluation section, contestants shared marketing cases and experiences one by one around topics such as the operation and risk prevention of rural inclusive financial payment service points, loans for farmers and agricultural industries, and loans for small and micro customers. In the knowledge quiz section, contestants completed three rounds of quizzes: mandatory, competitive, and selective, fully demonstrating a solid business foundation. This competition motivated all employees in the Bank to contribute greater strength to the high-quality development of Zhongyuan Bank with more enthusiasm, high fighting spirit, and a new attitude!



In addition, we have established an internal trainer team, hiring talents who are proficient in a certain professional field and have strong practical work experience to enter the head office's internal trainer teacher pool, providing employees with more accurate and practical training services. During the reporting period, the Bank conducted a total of 164 first level training and 914 second level training, with an average training duration of 111.6 hours per person and a total investment of 47.68 million in training.

02 Career Development

The Bank attaches great importance to the career development of employees, continuously builds a career development system for employees, establishes a dual channel job sequence system of "management + profession", provides employees with diversified career paths, further expands the space for talent development, and enhances the diversity and possibility of employee career development. The Bank organizes annual evaluations of professional talents, taking into account the Bank's development needs, annual performance evaluation results, and employees' comprehensive personal qualities, to help each employee realize their personal value in the most suitable position. During the reporting period, 5 collectives and 1 individual selected by Zhongyuan Bank were awarded the 2023 Henan May Day Women's Award, and 1 individual was awarded the 2023 Henan May Day Labor Medal.

Strengthen Employee Care



Zhongyuan Bank pays attention to every detail of employees' lives and work, continuously optimizes employee communication mechanisms, listens to employee voices, organizes rich and diverse cultural and sports activities, establishes a mechanism for assisting difficult employees, and enhances their sense of happiness and belonging.

01 Democratic Management

Zhongyuan Bank has continuously improved its labor union organization system, established a two-level leadership system for labor unions at the head office, branches, and subsidiaries, and established labor union working groups at the branch and department levels. The Bank actively strengthens the implementation of the employee representative assembly system, encourages employees to participate in enterprise management decision-making, and promotes the democratization process and high-quality development of the Bank. In this process, we have formed a work pattern of party committee leadership, support and cooperation from various branch departments, coordination of labor union organizations, and active participation of labor union representatives, achieving deep integration and synchronous development of labor union organization construction with party organization construction and business construction throughout the Bank. During the reporting period, the employee satisfaction index of Zhongyuan Bank was 92%, and the employee turnover rate decreased to 2.98%.

Classification		Employee turnover rate
Gender	Male	2.9%
	Female	2.9%
Age	Below 20	0
	Aged 20 to 29	6.4%
	Aged 30 to 39	2.6%
	Aged 40 to 49	1.8%
	Age 50 and above	0.8%
Region	Zhengzhou	8.3%
	Outside Zhengzhou	2.4%

Various Units of Zhongyuan Bank Held Themed Care Activities for the Women's Day

On the occasion of the 113th International Women's Day, in order to fully express the care of Zhongyuan Bank for female employees and showcase the spirit of "self-esteem, confidence, self-reliance, and self-improvement" of female employees, the head office leaders expressed their blessings to all female employees of the Bank through online condolence letters. Under the guidance of the head office labor union, the labor unions at all levels of Zhongyuan Bank actively prepared, carefully planned, and held various forms of colorful "March 8th" themed care activities, enhanced the cohesion of all employees, inspired the high-quality development of Zhongyuan Bank, and fostered a spirit of striving for the goal of building a first-class city commercial bank.



02 Cultural and Sports Activities

Zhongyuan Bank actively carries out various cultural and sports activities, conscientiously practicing the employee sports spirit of "health, happiness, hard work, and progress". We continuously improve and strengthen the construction of "Employee Homes". Each branch and headquarters have set up fitness centers in four office locations: Zhongke, Xingshu, Jingfeng, and Kailin. We have purchased various fitness equipment and facilities. At the same time, relying on "Employee Homes", various branches and headquarters have established clubs such as football, basketball, volleyball, badminton, table tennis, photography, calligraphy, and painting, enriching the leisure life of employees. During the reporting period, the labor union of Zhongyuan Bank Co., Ltd. won the honorary title of "exemplary organization of Henan Trade Union" in 2023.



Zhongyuan Bank Held a Collective Wedding for Employees

In order to promote the emotional, conceptual, and cultural integration of all employees in the Bank, the labor union of Zhongyuan Bank held a collective wedding for employees on September 19, 2023. More than 100 family members and employee representatives of the new couple witnessed the happy moments of 12 couples together.



Zhongyuan Bank Headquarters Held Children's Day Family Tour

On May 28, 2023, the labor union of the head office of Zhongyuan Bank held the Children's Day family tour, which provided children with a happy environment, let them fully feel the joy of the festival on the special day of International Children's Day and spent a fun and meaningful festival. By actively participating in activities, children deeply experienced the joy of companionship, sharing, cooperation and growth, cultivating a positive and optimistic spirit.



Zhongyuan Bank Held the Second Employee Sports Meeting

On May 13, 2023, Zhongyuan Bank held the second employee sports meeting, with over 5,000 athletes and employee representatives attending the event on site. This sports meeting was not only a demonstration of the comprehensive quality competition of employees, but also a concentrated display of the team spirit and cohesion of all cadres and employees in the Bank. It effectively motivated all employees to be positive, strive for progress, and jointly wrote a new chapter in the development of Zhongyuan Bank through practical work.



03 Assistance and Condolences

Zhongyuan Bank pays special attention to employees who have needs and difficulties, and actively provides assistance and condolences. The Bank has formulated the *Zhongyuan Bank Administrative Measures for Employee Home Visits* and organizes annual employee home visits to fully understand the ideological and family situation of employees, and solve practical difficulties in their work and life. We insist on doing good deeds and practical things for our employees, implementing condolences for their birthdays, traditional festivals, childbirth, weddings, funerals, and weddings, and actively carrying out condolences for difficult employees, bringing organizational care to the hearts of every employee. At the same time, we have actively carried out comforting work for the high school entrance examination gold rankings of employees' children, as well as military dependents of veterans and active-duty soldiers, so that every employee can feel the warmth and care of the organization. During the reporting period, Zhongyuan Bank visited and comforted 196 employees facing financial difficulties.

Occupational Health and Safety

Zhongyuan Bank is committed to providing employees with a safe and comfortable working environment, formulates the *2023 Guidelines on Administrative Security of Zhongyuan Bank* to help them avoid occupational hazards. During the reporting period, we conducted multiple fire drills and safety promotion activities to improve the fire prevention and extinguishing skills of employees, and to master the knowledge of self-rescue and evacuation skills.



▲ Fire Inspection



▲ Emergency Drills

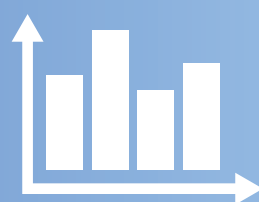
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Appendix

Key Performance Indicators	77
Report Disclosure Index	79
Independent Assurance Statement	83
Reader Feedback Form	85



Key Performance Indicators



Indicators	Units	2023	2022
Economic Performance			
Balance of Inclusive Small and Micro Enterprise Loans	100 million	837.77	761.97
Balance of Agricultural Loans	100 million	1,607.71	1,479.47
Balance of Inclusive Agricultural Loans	100 million	170.15	133.75
Balance of Green Loans	100 million	336.91	271.3
Environmental Performance			
Emissions			
Exhaust gas emissions			
Nitrogen oxides (NOx)	kg	385.79	96.9
Sulphur oxides (SOx)	kg	3.21	3.46
Particulate matter (PM)	kg	21.07	6.67
Greenhouse gases(GHG)emissions			
Direct (Scope 1) GHG emissions	tCO2e	1,521.43	1,122.27
Indirect (Scope 2) GHG emissions	tCO2e	25,916.99	26,424.48
Total GHG emissions (Scope 1 and Scope 2)	tCO2e	27,438.42	27,546.75
Total GHG emissions intensity (Scope 1 and Scope 2)	tCO2e/million revenue	1.05	1.08
Total GHG emissions intensity (Scope 1 and Scope 2)	tCO2e/employee	1.46	1.40
Non-hazardous waste			
Non-hazardous waste	ton	657.41	837.25
Non-hazardous waste intensity	ton/million revenue	0.025	0.03
Non-hazardous waste intensity	ton/employee	0.03	0.04
Hazardous waste			
Hazardous waste	ton	1.05	6.96
Hazardous waste intensity	kg / million revenue	0.04	0.2
Hazardous waste intensity	kg / employee	0.06	0.2
Resources consumption			
Electricity	megawatt hour	45,444.48	45,481.03
Gasoline	litre	206,016.23	227,537.20

Indicators	Units	2023	2022
Diesel	litre	11,564.45	6,914.84
Natural gas	m ³	436,063.64	439,271.08
Liquefied petroleum gas (LPG)	kg	0	0
Total water usage	ton	377,039.00	411,476.28
Total intensity of water usage	ton/million revenue	14.40	16.07
Total intensity of water usage	ton/employee	20.02	20.98
Total energy consumption intensity	kWh/million revenue	1,947.3	2,027.25
Total energy consumption intensity	kWh/employee	2,744.63	2,647.03
Social Performance			
Employment			
Total number of employees	Person	18,835	19,610
Percentage of R&D staff	%	5.18	5.50
Employees-divided by gender			
Number of male employees	Person	9,526	9,851
Number of female employees	Person	9,309	9,759
Employees-divided by age			
Number of employees under 30 years old	Person	3,964	5,027
Number of employees aged 31-40 years old	Person	9,739	9,358
41-50 Number Number of employees	Person	3,216	3,412
Number of employees over 50 years old	Person	1,916	1,813
Employee-divided by degree			
Number of employees with masters or above	Person	2,824	2,864
Number of undergraduate employees	Person	13,346	13,709
Number of college employees	Person	1,923	2,128
Number of employees below junior college	Person	742	909
Overall employee turnover rate			
Employee loss rate	%	2.98	3.9
Health and safety⁶			
The number of people who died because of work	Person	0	2
Number of working days lost due to industrial injury	Day	1,520	1,142.5
The rate of death due to work	%	0	0
Development and training			

⁶Please refer to the previous year's data in the previous report.

Indicators	Units	2023	2022
General performance of training			
Total number of trainees	Person	18,835	19,610
Total hours of training	Hour	2,101,991	1,790,000
Total investment in training	ten thousand	4,768	1,881
Training performance-divided by gender			
Number of male staff trained	Person	9,526	9,851
Number of female staff trained	Person	9,309	9,759
Average number of training hours for male employees	Hour	111.6	85
Average number of training hours for female employees	Hour	111.6	85
Percentage of male staff trained	%	100	100
Percentage of female staff trained	%	100	100
Training performance-divided by category			
Percentage of senior and middle-level management staff trained	%	100	100
Percentage of junior management staff trained	%	100	100
Percentage of ordinary staff trained	%	100	100
Supply chain management⁷			
Total number of suppliers	Number of suppliers	1,156	884
Product responsibility			
Customer service			
Number of business complaints	Cases	3,397	1,456
Complaint handling rate	%	100	100
Community investment			
Total amount of public welfare expenditure	ten thousand	136.12	435.33
Volunteer participation person	Person	8,839	8,110

Report Disclosure Index



Environmental, Social and Governance Reporting Guide to the Appendix C2 of the Listing Rules

Aspects	Description	Chapter
A. Environmental		
Aspect A1: Emissions	General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land and generation of hazardous and non-hazardous waste.
	A1.1	The types of emissions and respective emission data.

⁷Some of the suppliers from the e-mail are not easy to determine the area they belong to.

Aspects	Description	Chapter
Aspect A1: Emissions	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
	A1.3	Total hazardous waste produced (in tonnes) and (where appropriate), intensity (e.g. per unit of production volume, per facility).
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
	A1.5	Description of emissions target(s) set and steps taken to achieve them.
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.
	Aspect A2: Use of resources	General Disclosure
A2.1		Policies on the efficient use of resources including energy, water and other raw materials.
A2.2		Water consumption in total and intensity (e.g. per unit of production volume, per facility).
A2.3		Description of energy use efficiency target(s) set and steps taken to achieve them.
A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.
A2.5		Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.
Aspect A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.
	A4.1	Description of the significant climate related issues which have impacted, and those which may impact, the issuer and the actions taken to manage them.
B. Social		
Aspect B1: Employment	General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Aspects		Description	Chapter
Aspect B1: Employment	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and region.	Protection of Employees' Rights and Interests
	B1.2	Employee turnover rate by gender, age group and geographical region.	Strengthen Employee Care
Aspect B2: Health and Safety	General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Key Performance Indicators
	B2.2	Lost days due to work injury.	Key Performance Indicators
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Career Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicators
	B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators
Aspect B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Protection of Employees' Rights and
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Protection of Employees' Rights and
	B4.2	Description of steps taken to eliminate such practices when discovered.	Protection of Employees' Rights and
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Promote green procurement
	B5.1	Number of suppliers by geographical region.	Key Performance Indicators
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Promotion of Green Procurement
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Promotion of Green Procurement
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Promotion of Green Procurement
Aspect B6: Product Responsibility	General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Protecting the Rights and Interests of Customers
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	B6.2	Number of products and service related complaints received and how they are dealt with.	Protecting the Rights and Interests of Customers

Aspects		Description	Chapter
Aspect B6: Product Responsibility	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Compliance Operations Management
	B6.4	Description of quality assurance process and recall procedures.	N/A
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Protecting the Rights and Interests of Customers
Aspect B7: Anti-corruption	General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Guided by Party Building
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Guided by Party Building
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Guided by Party Building
	B7.3	Description of anti-corruption training provided to directors and staff.	Guided by Party Building
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Practicing Social Welfare
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Practicing Social Welfare
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Practicing Social Welfare

Independent Assurance Statement



To the Board of Directors of Zhongyuan Bank Co., Ltd.:

CECEPAC (HK) Advisory Company Limited (“**CECEPAC (HK)**” or “**We**”) has been engaged by Zhongyuan Bank Co., Ltd. (“**Zhongyuan Bank**”) to conduct an independent limited assurance engagement (“**Assurance Engagement**”) on the information and data related to sustainability development in *Zhongyuan Bank's 2023 Environmental, Social and Governance Report* (“**ESG Report**”).

CECEPAC (HK) has been engaged to assure Zhongyuan Bank's adherence to the four AA1000 Accountability Principles (Inclusivity, Materiality, Responsiveness and Impact) set out in the *AA1000 Assurance Standard v3* (“**AA1000AS v3**”). Meanwhile, CECEPAC (HK) has also been engaged to provide limited assurance on the reliability and quality of specified performance information disclosed in the *ESG Report* that have been selected in accordance with the *Environmental, Social and Governance Reporting Guide* (“**ESG Reporting Guide**”) published by the Stock Exchange of Hong Kong Limited (“**SEHK**”).

If there is any inconsistency or ambiguity between the English version and the Chinese version of this assurance statement, the Chinese version shall prevail.

I. Independence and Competence

CECEPAC (HK) was not involved in collecting and calculating data, or in the development of the *ESG Report*. CECEPAC (HK)'s activities of Assurance Engagement are independent from Zhongyuan Bank. There is no relationship between Zhongyuan Bank and CECEPAC (HK) beyond the contractual agreement for providing proper assurance service.

The assurance team of CECEPAC (HK) is composed of experienced personnel in the industry who have received professional training in sustainability-related standards such as the *GRI Sustainability Reporting Standards* issued by Global Reporting Initiative, AA1000AS v3, the *ESG Reporting Guide* of the SEHK, ISO 14001, and ISO 9001, etc.

The assurance team of CECEPAC (HK) has rich experience in conducting Assurance Engagement and has a full understanding and practical ability of AA1000AS v3. Meanwhile, the assurance team of CECEPAC (HK) carries out Assurance Engagement on sustainable development issues in accordance with the internal assurance protocol of CECEPAC (HK).

II. Zhongyuan Bank's Responsibilities

Zhongyuan Bank is responsible for the preparation and presentation of the *ESG Report* in accordance with the SEHK's *ESG Reporting Guide*. Zhongyuan Bank is also responsible for implementing internal audit procedures and ensuring that contents of the *ESG Report* are free from material misstatement, whether due to fraud or error.

III. Assurance Provider's Responsibilities

CECEPAC (HK) is responsible for issuing an independent assurance statement according to AA1000AS v3 and the *ESG Reporting Guide* published by SEHK to the Board of Directors of Zhongyuan Bank. This independent assurance statement applies solely to the *ESG Report* in the specified scope, expresses a conclusion on the assurance work, and does not serve any other intents or purposes.

CECEPAC (HK) ensures that all personnel involved in Assurance Engagement meet professional qualification, training and experience requirements, and are proficient in conducting assurance engagements. The results of assurance and certification audit are internally reviewed by senior staff to ensure that methodologies used in the process are sufficiently stringent and transparent.

IV. Scope of the Assurance Engagement

- The scope of the Assurance Engagement is limited to the information and data to the *ESG Report* only, and the data and information only involve Zhongyuan Bank head office, its 18 branches and 1 consumer finance company, 2 financial leasing companies and 14 rural banks under the control of Zhongyuan Bank. The scope of the Assurance Engagement does not include Zhongyuan Bank's suppliers, contractors, and data or information provided by other third parties;
- AA1000AS' Type 2 Moderate Level of Assurance was adopted to evaluate the nature and extent of Zhongyuan Bank's adherence to the four AA1000 Accountability Principles (Inclusivity, Materiality, Responsiveness and Impact) set out in the AA1000AS v3;
- Assurance on Zhongyuan Bank' s disclosures for general disclosures of environmental, social and governance subject areas and key performance indicators provided with mandatory disclosure requirements and the "Comply or Explain" provision, in alignment with the *ESG Reporting Guide* published by SEHK;
- Zhongyuan Bank and CECEPAC (HK) reached an agreement to select the specified performance information in the *ESG Report* as part of the content for Assurance Engagement. The selected specified performance information are as follows:

-
- Average number of training hours for female employees
- Complaint resolution rate
- Total water consumption
- Scope 2 Greenhouse gas emissions

- CECEPAC (HK)'s assurance work was with respect to information disclosed from January, 1, 2023 to December 31, 2023 only. Any information that falls outside this period and that is disclosed in the *ESG Report* is not included within the scope of the Assurance Engagement. Therefore, we do not express any conclusions on this information; and
- The scope of the assurance is confined to the information and data provided by Zhongyuan Bank. Any queries regarding the content or related matters within this Independent Assurance Statement should be addressed to Zhongyuan Bank only.

V. Methodology of the Assurance Engagement

CECEPAC (HK)'s Assurance Engagement was conducted at Zhongyuan Bank and the assurance work included:

- Evaluating the appropriateness of Zhongyuan Bank's stakeholder engagement participation process;
- Conducting online interviews⁸ with Zhongyuan Bank's sustainability management and provision of the content and information in the *ESG Report*;
- Assessing whether the reporting and management approach disclosed in the *ESG Report* responded to the principles of Inclusivity, Materiality, Responsiveness and Impact as defined in the AA1000AS v3;
- Conducting random sampling of evidence pertaining to data reliability and quality for selected specified performance information;
- Recalculating and verifying selected specified performance information;
- Assessing the degree of conformity of the *ESG Report* with the *ESG Reporting Guide*; and
- Performing other procedures we deemed necessary.

Assurance Engagement was performed and the conclusions within were based upon information and data provided by Zhongyuan Bank to CECEPAC (HK), and on assumptions that the information provided was complete and accurate.

VI. Inherent Limitations

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.

VII. Conclusions

In accordance with the principles of Inclusivity, Materiality, Responsiveness and Impact in the AA1000AS v3, our conclusions are detailed as follows:

Inclusivity

Zhongyuan Bank has identified key stakeholders and continuously communicated with key stakeholders through various channels to understand their expectations and concerns. On this basis, Zhongyuan Bank has fully considered the expectations of and the impacts on key stakeholders, and combined the key stakeholders' expectations with the actual situation of Zhongyuan Bank to formulate policies and action plans. In our professional opinion, Zhongyuan Bank adheres to the Principle of Inclusivity.

Materiality

Based on own industry characteristics, legal and regulatory requirements, Zhongyuan Bank has established a database of ESG issues and carried out the materiality assessment. Zhongyuan Bank invited key stakeholders to participate in the assessment to collect their opinions, and has identified its material issues through appropriate methods. Zhongyuan Bank has also disclosed the methodology, process and results of materiality assessment in the *ESG Report*. In our professional opinion, Zhongyuan Bank adheres to the Principle of Materiality.

Responsiveness

Zhongyuan Bank has established channels for its stakeholders to understand their concerns and expectations, and also provided timely response to the expectations and inquiries from key stakeholders. Meanwhile, through the *ESG Report*, Zhongyuan Bank has disclosed corporate sustainability strategies, management systems, management key points, key stakeholder participation activities as well as major sustainable development related issues to respond to key stakeholders. In our professional opinion, Zhongyuan Bank adheres to the Principle of Responsiveness.

Impact

Zhongyuan Bank has considered and evaluated its impacts and realised its impacts on stakeholders, so as to make a more effective decision-making and to implement management measures within the organisation. In our professional opinion, Zhongyuan Bank adheres to the Principle of Impact.

Specific Performance Information

Based on the procedures that CECEPAC (HK) has performed and the evidence we have obtained, no specific issue has come to our attention that causes us to believe that the disclosure of the three selected specified performance information in the *ESG Report* is unreliable and unqualified or not been prepared in all material respects in accordance with the basis of reporting.

SEHK's ESG Reporting Guide

Disclosures for general disclosures of environmental, social and governance subject areas and key performance indicators have been provided with the mandatory disclosure requirements and "Comply or Explain" provision, in all material aspects, in alignment with the *ESG Reporting Guide* published by SEHK. Zhongyuan Bank has disclosed the involvement of key stakeholders in the materiality assessment process; impacts caused by business are objectively disclosed; relevant environmental and social data are calculated and disclosed.



20 April, 2024
HongKong SAR, China

⁸CECEPAC (HK) and Zhongyuan Bank have agreed on the format of the interviews.

Reader Feedback Form



Dear Reader,

Thank you for reading the *Annual Environmental, Social and Governance Report of Zhongyuan Bank Co, Ltd. for the Year 2023*. We sincerely hope that you can evaluate this report and provide us with your valuable opinions. Your feedback and suggestions are crucial for helping us continuously improve our ESG practices. We kindly request your assistance in completing the relevant questions in the feedback form below and selecting one of the following methods to provide your feedback to us.

Address: Zhongke Jinzuo Building, No. 23 Commerce Outer Ring Road, Zhengdong New District, Zhengzhou City, Henan Province, China

Email: dongshihui@zybank.com.cn

Your Information: _____

Name: _____

Position: _____

Phone number: _____

Email: _____

1. What is your overall evaluation of this report?

Excellent Good Fair Poor Very Poor

2. How do you rate the accuracy, completeness, timeliness, and clarity of the information disclosed in this report?

Excellent Good Fair Poor Very Poor

3. Do you find the content arrangement and style of this report easy to read?

Excellent Good Fair Poor Very Poor

4. What aspects of the report are you most concerned about?

5. Are there any specific pieces of information that you expected to see in the report but did not find?

6. Do you have any additional comments regarding Zhongyuan Bank's environmental, social and governance efforts?