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2024

Changshu Rural Commercial Bank Co., Ltd  
2024 Environmental, Social and Governance (ESG) Report



# About this Report

## Introduction

This is the fourth Environmental, Social, and Governance (ESG) Report issued by Changshu Rural Commercial Bank Co., Ltd. to disclose and demonstrate its ESG practices and performance to stakeholders. The Board of Directors guarantee that there are no false records, misleading statements or material omissions in this Report and are responsible for the authenticity and validity of the information contained herein.

## Timeframe

The period covered by this Report is from January 01, 2024 to December 31, 2024 unless otherwise specified. Some information has exceeded the said period to ensure the completeness of this Report.

## Reporting Scope

Unless otherwise specified, this Report is about the Changshu Rural Commercial Bank Co., Ltd. and covers its headquarters, branches and subsidiaries, a scope that is identical to the scope of its consolidated financial statements. Any deviation from the said scope will be stated in the Report.

## Data Sources

All information and data used in this Report are from materials made public by governmental agencies, and the formal documents and disclosures of Changshu Rural Commercial Bank. All financial data referenced in this Report are subject to the annual report and other data are from internal statistics of Changshu Rural Commercial Bank. All monetary amounts are expressed in Renminbi (RMB) unless otherwise stated.

## Basis of Preparation

This Report primarily references the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) and the People's Bank of China's Guidelines for Environmental Information Disclosure by Financial Institutions. It also draws on both international and domestic frameworks, including the United Nations Sustainable Development Goals (SDGs) and the Sustainability Reporting Standards (GRI Standards) published by the Global Reporting Initiative (GRI). The Report is prepared with a focus on industry context and emphasizes corporate characteristics, ensuring alignment with ESG (Environmental, Social, and Governance) principles, sustainability practices, and social responsibility standards.

## Report Publication

The Report is available in electronic formats. You can download the electronic version from the Shanghai Stock Exchange website ([www.sse.com.cn](http://www.sse.com.cn)) and the s official website ([www.csrcbank.com](http://www.csrcbank.com)) of Changshu Rural Commercial Bank.

## Reader Feedback

We welcome your thoughts and suggestions on the content of this Report or the ESG initiatives of Changshu Rural Commercial Bank. Please take a moment to fill out the Reader Comment Form at the end of the document and send it to us at [601128@csrcbank.com](mailto:601128@csrcbank.com). Your feedback is important to us, and we are committed to listening carefully and making improvements moving forward.



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## Message from the President

The year 2024 signifies a crucial turning point for fully embracing the spirit of the 20th National Congress of the Communist Party of China. At Changshu Rural Commercial Bank, we are dedicated to supporting agriculture and small businesses, serving the real economy, and contributing to rural revitalization. Our goal is to be a champion of inclusive finance and a leader in rural finance. Over the past year, we have made significant strides, continuously bolstering our comprehensive strength. Our total assets achieved 366.6 billion RMB, total deposits 286.5 billion RMB, and total loans 240.9 billion RMB. We are proud to rank 385th among the top 1,000 banks globally and 76th among the top 100 banks in China. For seven consecutive years, we have ranked first among county-level rural commercial banks in the Gyroscope evaluation system. Additionally, for six consecutive years, we have received the highest grade of A in the Shanghai Stock Exchange's information disclosure evaluation. Our brand influence is unparalleled among county-level rural commercial banks, and we are making solid progress toward sustainable development.

**Enhancing Governance and Optimizing Corporate Governance Efficiency.** Changshu Rural Commercial Bank is committed to the comprehensive leadership of the Party. Grounded in the new stage of development, we actively implement modern development concepts. We focus our market positioning on serving agriculture, rural areas, and farmers—as well as small businesses. We uphold a strong commitment to risk compliance, excel in anti-money laundering initiatives, strategically plan our capital allocation, and rely on our strategic deployment featuring capital-light, comprehensive, digital and eco-friendly initiatives. Our efforts center on strengthening four critical strategic elements while steadily advancing five major initiatives. We engage in thorough research on corporate governance to solidify our compliance and risk management practices, firmly safeguarding investor rights and continuously optimizing our investor relations management system. Moreover, we are at the forefront of digital and intelligent innovation, accelerating the strategic development of our digital operations. We aim to build a comprehensive digital operation system that fully advances digital empowerment across our organization.

**Advancing Towards Green Development.** Changshu Rural Commercial Bank is committed to aligning with national strategies for carbon peak and carbon neutrality, and is making steady progress in transitioning to a green and low-carbon economy. We are continuously improving our governance framework for green finance operations to support sustainable agricultural development, the creation of beautiful countryside, and initiatives for energy conservation and emission reduction. We are actively refining our green finance strategy, establishing a robust credit policy and management framework based on a unified approach and supported by four key mechanisms. We are building a comprehensive green finance product matrix that emphasizes our commitment to environmental and social responsibilities. Additionally, we enhance our capacity for identifying environmental and social risks while actively exploring feasible sustainable development models.

**Embracing Responsibility and Spreading the Warmth of a Bank for People** Changshu Rural Commercial Bank embodies a people-oriented business philosophy through tangible actions, placing a high value on the professional competence and skill enhancement of its employees. The Bank is dedicated to improving safety management standards by conducting comprehensive safety training and drills for all staff. We actively promote inclusive finance, advancing three types of credit, strengthening our three-tier network, and providing doorstep services to thousands of households through an effective combination of household visit, big data, and grid management. Our commitment extends to carrying out public donation initiatives and volunteer services. The Bank significantly enhances support for key areas and vulnerable sectors of the real economy, demonstrating the responsibility and commitment of a county-level rural commercial bank through real actions. We add vibrant energy to rural revitalization and local prosperity, confidently striding toward a future of common wealth.

In 2025, Changshu Rural Commercial Bank will deeply engage with and implement the spirit of the 20th National Congress of the Communist Party of China, along with its second and third plenary sessions. The Bank will focus on specialized operations and differentiated development, uniting efforts to pursue progress. We are committed to striving hard to open a new chapter and will follow the path of sustainable development.

March 21, 2024





## About Changshu Rural Commercial Bank

### Bank Overview

Jiangsu Changshu Rural Commercial Bank Co., Ltd. was established on November 28, 2001 through jock stock restructuring. With over 60 years of history, it is one of the first joint-stock rural financial institutions in China. The Bank was listed on the Shanghai Stock Exchange on September 30, 2016 (Stock Code: 601128). According to the latest rankings by The Banker magazine, Changshu Rural Commercial Bank has been recognized among the world's top 500 most valuable banking brands and the world's top 1000 banks.

#### Pioneer in Rural Finance Reform

Guided by the spirit of exploration, characterized by a daring attitude of daring to venture, daring to experiment, and daring to act, Changshu Rural Commercial Bank has emerged as a trailblazer in China's restructuring of rural finance institutions. As one of the first rural small and medium-sized financial institutions in the country, the Bank took the lead in welcoming the Bank of Communications as a strategic investor and its largest shareholder, while also investing in seven other rural financial institutions. As of the end of December 2024, Changshu Rural Commercial Bank, including its village banks, reported total assets of 366.6 billion RMB, total deposits of 286.5 billion RMB, and total loans of 240.9 billion RMB.

#### Dedicated Advocate of Microfinance

In 2009, the Bank established a divisional microfinance institution, creating a professional, replicable, and industry-leading core technology for microcredit. It has since served over 560,000 loan customers. Notably, more than 60% of total loans are allocated to support small and micro businesses, over 70% are directed toward agriculture-related sectors, and nearly 80% are invested in the real economy.

#### Trailblazer in the Capital Market

Thanks to its differentiated market positioning, the Bank's microfinance offerings have garnered significant investor interest, placing its stock valuation among the industry's top tier. It was the first listed rural commercial bank to issue convertible bonds and successfully convert them into shares. For seven consecutive years, it has ranked first among county-level rural commercial banks in the Gyroscope evaluation system and has received an A rating in the Shanghai Stock Exchange's information disclosure evaluation for six straight years.

#### Explorer in Village Banks

Grounded in the exploration and practice of inclusive finance, the Bank focuses on developing village banks to replicate and promote the Changshu Rural Commercial Bank Microfinance Model. In September 2019, it launched the first investment management-style village bank in Haikou, Hainan Province, overseeing the centralized management of 35 Xingfu Village Banks across six provinces: Yunnan, Hubei, Jiangsu, Henan, Hainan, and Guangdong.

The world's top 500 most valuable banking brands

The world's top 1000 banks.

"TOP500"

According to the latest rankings by The Banker magazine

## Corporate Culture

### Goal Level:



#### Vision

Rural Finance Leader



#### Mission

Inclusive Finance  
Responsible Bank



#### Spirit

Reflective Optimism  
Courageous Innovation



#### Core Values

Honesty and Dedication  
Sharing and Growth

### Philosophy:



#### Operations

Focus on small and medium  
businesses; Keep flexible and  
efficient



#### Development

Dare to explore  
Develop robustly



#### Management

Compliant  
Better



#### Talent

Inclusive and  
employee-first



#### Service

People-Oriented Services  
Trusted Partner



## History

2001

- On November 28, Changshu Rural Commercial Bank officially opened, becoming the first in the country to complete the shareholding structure reform.

2007

- On August 18, the Xianfeng Village Bank was established in Xianfeng County, located in the Enshi Tujia and Miao Autonomous Prefecture of Hubei Province.
- On December 24, the Bank made history by becoming the first rural small and medium-sized financial institution in the country to successfully bring on board the Bank of Communications as a strategic investor.

2008

- A microcredit project team comprising 10 members has been formed, and we have introduced IPC technology from Germany to explore avenues for inclusive finance.
- On December 15, we inaugurated our first branch outside of Changshu, the Haimen Sub-branch, in Nantong City.

2016

- On September 30, the Bank successfully debuted on the A-share main board under the stock code 601128.

2014

- On August 26, the Bank's first branch was opened in Yancheng.
- In December, the Group's total assets surpassed 100 billion RMB.

2013

- Significant progress has been made in establishing a network of village banks. Recently, Tangyin Village Bank in Henan, Yiyang Village Bank in Henan and Dangyang Village Bank in Hubei have all been successfully launched.

2019

- On September 19, the nation's first investment-management village bank was established in Haikou, Hainan.

2020

- In December, the Group's total assets surpassed 200 billion RMB.

2022

- The acquisition of our first village bank has been successfully finalized. On October 28, Zhuhai Xiangzhou Xingfu Village Bank officially opened for business.

2024

- In December, the Bank successfully completed its first merger and acquisition of a village bank and established new branches.

2023

- In January, the Group's total assets surpassed 300 billion RMB.



## Awards and Honors







# Sustainable Development Management

Changshu Rural Commercial Bank has enhanced its strategic framework for sustainable development by revising the Board of Directors' Strategy and the Work Rules of the Rural Finance Committee. This move integrates Environmental, Social, and Governance (ESG) management into the core of its corporate governance. The committee has been clearly assigned several key functions: it will proactively research industry ESG development trends and actively respond to both international and domestic policy directions as well as stakeholder demands. The committee will coordinate the formulation of ESG strategic plans and establish a dynamic evaluation mechanism to regularly calibrate the alignment between ESG issues and the Bank's strategic business operations. Additionally, it will review and approve the annual ESG report, offering decision-making recommendations on key sustainability matters, including climate change response and innovative inclusive finance strategies Through strategic integration, innovative mechanisms, and data-driven approaches, the Bank has achieved a deep integration of sustainable development with business growth, thereby creating social value while effectively serving the real economy.

## Responsibility Management

Changshu Rural Commercial Bank attaches equal importance to the legal rights and interests of its stakeholders while taking attention to its own high-quality development. The Bank fully understands the expectations and demands of its stakeholders. It actively builds communication channels and engages in dialogues with stakeholders, responding to their needs and concerns by effective means. This helps ensure positive and effective interactions and communications.

## Communications with Stakeholders

Key stakeholders	Expectations and concerns	Communication channels
Governmental bodies and regulators	<ul style="list-style-type: none"><li>•Compliance with national laws and regulations</li><li>•Alignment with national and regional strategies</li><li>•Lawful operations and tax payments</li><li>•Safety in operations</li><li>•Active responses to climate change</li></ul>	<ul style="list-style-type: none"><li>•Supervision and assessment</li><li>•Information submission</li><li>•Work meetings</li><li>•Daily communication and reporting</li></ul>
Investors/ shareholders	<ul style="list-style-type: none"><li>•Robust corporate governance mechanisms</li><li>•Better information disclosure</li><li>•Performance growth and return on investments</li></ul>	<ul style="list-style-type: none"><li>•Online meetings</li><li>•Information disclosure</li><li>•Performance roadshows</li><li>•Exchanges and interviews</li></ul>
Employees	<ul style="list-style-type: none"><li>•Protection of basic rights</li><li>•Better salaries and benefits</li><li>•Facilitating career development</li><li>•Safe workplace</li><li>•Work wellbeing</li></ul>	<ul style="list-style-type: none"><li>•Trade union</li><li>•WeChat public accounts</li><li>•Questionnaires</li></ul>
Customers	<ul style="list-style-type: none"><li>•Ensuring product quality</li><li>•Privacy protection</li><li>•Responding to customer needs</li></ul>	<ul style="list-style-type: none"><li>•Questionnaires</li><li>•Messages via WeChat official account and official website</li><li>•Online communication/offline visits</li><li>•Daily communication with relationship managers</li></ul>
Partners	<ul style="list-style-type: none"><li>•Sustainable supply chain</li><li>•Fair biddings</li><li>•Contract fulfillment</li></ul>	<ul style="list-style-type: none"><li>•Business negotiations</li><li>•Customer satisfaction survey</li><li>•Procurement information disclosure</li><li>•Industry exchanges</li></ul>
Communities	<ul style="list-style-type: none"><li>•Driving economic development in the community</li><li>•Promoting employment stability</li><li>•Taking part in activities for the public interest</li><li>•Reducing the impact of production and operations on community</li></ul>	<ul style="list-style-type: none"><li>•Communication and exchanges</li><li>•Daily visits</li><li>•Volunteering</li><li>•Public welfare activities</li></ul>

# Communications with Stakeholders

Changshu Rural Commercial Bank is committed to enhancing its identification and management of material issues. By analyzing industry policy trends and benchmarking against peers, the Bank actively gathers stakeholders' concerns and expectations through various channels, including electronic surveys. This comprehensive approach allows the Bank to identify key material issues, enabling it to steer its sustainable development initiatives toward clear objectives and focused priorities.

## Determination of Material issues

### Identify

The Bank identifies key issues that significantly impact its financial performance, as well as those with considerable economic, social, and environmental implications, by analyzing national macro policies, industry development trends, its own growth strategies, and both domestic and international sustainability standards.

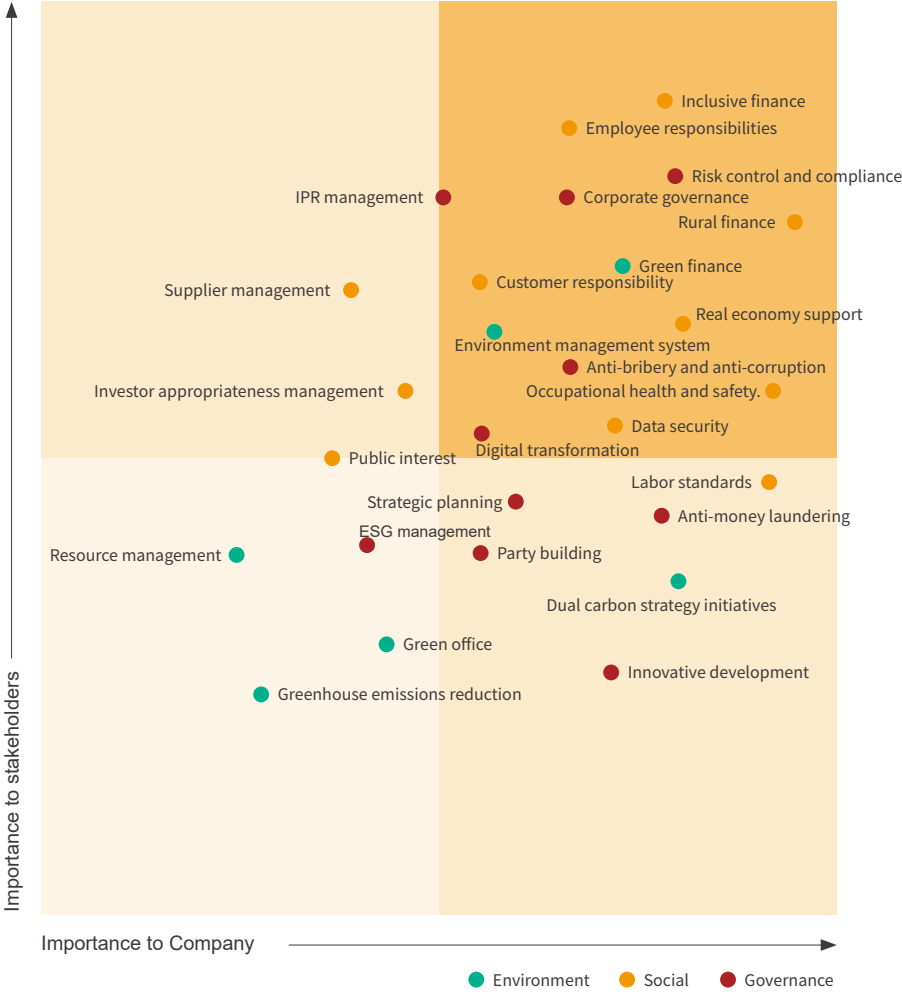
### Assess

The Bank invites key internal and external stakeholders to participate in a survey by distributing electronic questionnaires. It performs a quantitative analysis of the identified issues to gauge their materiality for the Bank's financial performance, as well as their economic, social, and environmental impacts.

### Rank and finalize

The 2024 matrix of issues, upon review by the Board of Directors results in a list of issues ranking by materiality from high to low. Issues of the highest materiality are disclosed in detail in the Report.

## Matrix of Material Issues



## List of Material Issues

1	Rural finance	10	Data security	19	Supplier management
2	Inclusive finance	11	Anti-bribery and anti-corruption	20	Innovative development
3	Risk control and compliance	12	Anti-money laundering	21	Investor appropriateness management
4	Occupational health and safety	13	IPR management	22	Party building
5	Employee responsibilities	14	Customer responsibility	23	Public interest
6	Real economy support	15	Dual carbon strategy initiatives	24	ESG management
7	Labor standards	16	Environment management system	25	Green office
8	Green finance	17	Digital transformation	26	Resource management
9	Corporate governance	18	Strategic planning	27	Greenhouse emissions reduction

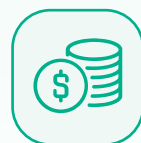


## Special Topic

### Starting with “Agriculture, Rural Areas, and Farmers” to Enhance Rural Revitalization and Benefit Households

Changshu Rural Commercial Bank is dedicated to fully implementing General Secretary Xi Jinping’s significant insights on agriculture, rural areas, and farmers. We strive to grasp the directives outlined in the No. 1 Central Document, specifically the Opinions of the Central Committee of the Communist Party of China and the State Council on Learning from the ‘Demonstration of a Thousand Villages and Renovation of Ten Thousand Villages’ Project to Effectively Promote the Comprehensive Revitalization of Rural Areas. Our commitment extends to executing the strategies set forth by the central, provincial, and Suzhou governments regarding agricultural and rural development. We are actively engaged in the rural community market and are dedicated to promoting revitalization and development throughout the city.

#### Performance Highlights in 2024



Balance of loans  
involving rural affairs

**1,55.934** Billion RMB



YoY change of balance of loans  
involving rural affairs

**4.89** %

#### “Digital Smart Platform”

Total users

**1,097**

Operations

**>206,100**

Cumulative trading amount

**22.371** Billion RMB

#### 2024 Awards Relating to Agriculture, Rural Areas and Farmers

2023 Award for Contributions to Serving Agriculture, Rural Areas  
and Farmers

Changshu Bureau for Finance Supervision and Administration,  
Changshu Media Convergence Center

2023 Advanced Unit in Rural Finance News Reporting and  
Publicity

China Economic Times

Unit with Remarkable Achievements in Serving Rural  
Revitalization

Suzhou Regulatory Branch of the National Financial Regulatory  
Administration (Suzhou Jinfa [2024] No. 1)

2023 Advanced Unit in the Modernization of Agriculture and  
Rural Areas in Suzhou

Rural Work Leading Group of the Suzhou Municipal Committee of the  
Communist Party of China

2023 Excellent Rating of Financial Institutions for Rural  
Revitalization

Suzhou Branch of People’s Bank of China, Suzhou Regulatory Branch  
of the National Financial Regulatory Administration (SRYF [2024] No.  
20)



## Construction of the Rural Finance System

Changshu Rural Commercial Bank is committed to a Party-led approach, deepening cooperation with governments, and aligning with the broader goals of enhancing rural governance. We are focused on strengthening financial support in key areas while optimizing our financial service system and mechanisms for agriculture, rural areas, and farmers. Guided by the principle of government-led, bank-supported, multi-party participation, and benefiting the public, the Bank tailors its strategies to local conditions by establishing joint working groups and implementing grid-based joint management services. Seizing the opportunity presented by our three credit creation projects, we aim to foster government-bank collaboration, promote financial literacy, and develop integrated service outlets that combine government affairs, village affairs, business affairs, and financial services. This coordinated approach not only enhances government-bank collaboration but also elevates the overall level of rural governance.

### Rural Development Plan

Changshu Rural Commercial Bank is fully committed to the objectives of financial support for rural revitalization and the modernization of agriculture and rural areas. Drawing on local agricultural resources and our initiatives in rural revitalization, we have developed the Three-Year Plan for Financial Support for Rural Revitalization (2024-2026). This plan outlines a strategic framework for our rural financial services over the next three years.

As a bank deeply rooted in the community, we will continue to embrace our mission of supporting “agriculture, rural areas, and rural residents” and “micro-finance and community finance”. We are dedicated to fully implementing the Three Credits initiatives— household, agriculture, and village. Through innovative financial services characterized by household visit + big data + grid outreach, we aim to promote inclusive financial models. This includes the Financial+ integrated service circle, Secondment + Grid support for rural revitalization, and the Government Affairs + Finance comprehensive service systems for new urban residents. Our goal is to establish a specialized bank that effectively serves the needs of local rural revitalization, fostering growth and prosperity within our communities.







## Special Topic

# Starting with “Agriculture, Rural Areas, and Farmers” to Enhance Rural Revitalization and Benefit Households

### Rural Development Plan

The Bank has recently established a task force for the Three Credits initiative, led by a senior executive from our headquarters. Key departments—including the Rural Finance Services Department, Retail Banking Division, Microfinance Division, Corporate Banking Department, Online Finance Department, and Fintech Division—are closely collaborating to promote the bank-wide Three Credits project and enhance our comprehensive agricultural and rural services.

### Changshu Rural Commercial Bank’s Three-Credit Initiative



Credit Village

A Credit Village is defined as an administrative village or community that fosters a positive financial atmosphere, a robust credit environment, strong legal awareness among residents, and promotes honest business practices among enterprises. It boasts a high credit coverage rate among residents and effectively eliminates debt evasion.



Credit Household Development

For village and resident households, credit assessments and lending follow a “household loans for household use, loans available as needed” management approach. The administrative village or community collaborates with Changshu Rural Commercial Bank to enhance credit records. Eligible households can access standby funds from the Bank on a household basis.



Credit Agriculture Development

The Bank conducts credit ratings for new agricultural businesses and rural collective economies to foster the growth of their credit levels. This initiative aims to continuously enhance the accessibility, coverage, and convenience of financial services for these entities. It promotes the integrated development of primary, secondary, and tertiary rural industries while improving agricultural quality, efficiency, and competitiveness.

In 2024, the Bank successfully expanded the “three credits” model to three new regions: Xinzhuang Town, Changfu Subdistrict, and Zhitang Town. This expansion, combined with the previously established areas of Haiyu, Shajiabang, Meili, Shanghu, and Dongbang, means the model now operates across eight regions, yielding remarkable results.

By the end of 2024, the Bank had extended credit to nearly 85,000 households across these areas, with a total credit amount approaching 33 billion RMB and a credit coverage rate exceeding 80%. Additionally, the Bank provided credit to 118 agricultural clients, amounting to a total credit amount of 1.5 billion RMB.



### Rural Talent Development

The Bank is committed to deepening its special initiative of Party-led finance benefits the people and support rural revitalization. It enhances Party-driven talent development and innovates its secondment model by launching the Rural Revitalization Feiyan Specialists initiative. To this end, the Bank has established a secondment mechanism characterized by designated villages, fixed schedules, and specific services. It has also improved its service model to include direct outreach to villages, households, and businesses. Utilizing a three-level co-construction approach at the town, administrative village, and natural village levels, the Bank is actively advancing the Three Credits initiative.

In 2024, the Bank selected 268 Party members and managers with expertise in finance as well as experience in agricultural and rural affairs. These individuals engaged at the grassroots level through secondments to towns and villages, systematically addressing the actual needs of agriculture, rural areas, and farmers.



### Rural Initiatives and Achievements

In 2024, the Bank adopted several strategies to bolster key rural revitalization initiatives. By the end of the year, the Bank’s loan balance regarding agriculture reached 155.934 billion RMB, marking an increase of 7.264 billion RMB since the beginning of the year, which translates to a growth rate of 4.89%. This substantial increase has significantly contributed to the modernization of agriculture and rural development within its jurisdiction, as well as supported the systematic efforts for rural revitalization.





## Special Topic

### Starting with “Agriculture, Rural Areas, and Farmers” to Enhance Rural Revitalization and Benefit Households

## Innovation in Rural Credit Products

### Ensuring Stable Production and Supply of Key Agricultural Goods

Changshu Rural Commercial Bank is committed to innovating approval models for sectors such as grain production and pig farming. By streamlining credit approval processes in these industries, we are enhancing the overall efficiency of our credit services for key agricultural clients, which in turn channel credit funds towards essential agricultural sectors. This approach plays a crucial role in maintaining price stability for regional agricultural products. As of the end of 2024, the Bank has supported 8,848 grain production entities with financial backing totaling 2.32 billion RMB—an increase of 380 million RMB since the beginning of the year, reflecting a growth rate of 19%. Additionally, we have assisted 816 pig farming entities, providing 240 million RMB in support, which marks a 10 million RMB increase from the start of the year. These efforts are effectively ensuring a stable supply of agricultural products in our region.

### Focusing on Major Rural Development Projects

The Bank consistently prioritizes key initiatives such as the Beautiful Villages Initiative, the improvement of rural living environments, and high-standard pond construction. It is dedicated to comprehensive ecological development and continually supports projects like characteristic rural villages, promoting the integrated growth of primary, secondary, and tertiary industries, including rural tourism. The Bank thoroughly engages with major rural development projects in its jurisdiction, gaining real-time insights into their funding needs. In 2024, it approved credit for four major rural projects, with a total credit amount of 171 million RMB. All four projects have successfully received disbursements, with credit funds totaling 132 million RMB.



#### Case Supporting New Rural Construction through the Characteristic Rural Village Loan

Suzhou Tongguanshan Green Ecological Agriculture Co., Ltd. is taking significant steps in response to Jiangsu Province's initiative for Characteristic Rural Village Construction. The company has launched a project aimed at developing a new rural area that highlights the region's unique characteristics. However, it faced a funding shortfall for its total investment of 73.3 million RMB. In response, Changshu Rural Commercial Bank proactively stepped in to offer its support. Following thorough on-site inspections, the Bank approved a credit line of 40 million RMB through its Characteristic Rural Village Loan program. To date, it has disbursed a total of 29.5 million RMB, with interest rates reduced by over 50 basis points.

This project plays a crucial role in promoting the integration of rural leisure tourism with the company's strengths in the primary and secondary industries. Once fully operational, it is expected to generate approximately 9.8 million RMB in annual revenue for the local community. Through its credit support, the Bank has boosted villagers' incomes, enhanced employment opportunities for local farmers, and contributed to the rural area's cultural development and goals for increased production and income.



## Supporting New Agricultural Business Entities

The Bank is committed to vigorously supporting the development of new agricultural businesses by addressing their core challenges, such as insufficient collateral and the difficulties and high costs associated with financing. Since 2024, the Bank has leveraged specialized financial products, including the Jiangsu Agricultural Loan, Beneficial Agricultural Quick Loan, and Agricultural Operation Loan, to provide comprehensive financial support tailored to the needs of agricultural businesses throughout the city. As of the end of 2024, the Bank has assisted 412 new agricultural entities, with cumulative support amounting to 466 million RMB. This marks an increase of 54 million RMB since the beginning of the year, reflecting a growth rate of 13%.



#### Case Changshu Rural Commercial Bank Provides Financial Support to Yusheng Agricultural Products Cooperative

Since 2021, Changshu Rural Commercial Bank has provided a total of 12 million RMB in financial support to the Yusheng Agricultural Products Cooperative. These funds have been utilized for constructing an agricultural culture exhibition center, upgrading equipment, and improving the surrounding roads and greenhouse facilities. This financial boost from the Bank has strongly supported the cooperative's infrastructure development and equipment modernization, enabling it to further expand its production capacity and enhance its market competitiveness.

Currently, the Yusheng Agricultural Products Cooperative has emerged as a benchmark for local agricultural industrialization. Its offerings, including Yusheng Rice, have achieved widespread recognition in the market and garnered several prestigious awards, such as Suzhou Famous Brand Product and the Jiangsu High-Quality Rice Silver Award. The cooperative has established itself as a significant force in promoting the development of the local agricultural economy.



## Promoting the Development of Regional Specialty Industries

The Bank continues to emphasize agricultural industry development while striving to enhance agricultural modernization. By leveraging specialized financial products such as the Agricultural Construction Loan and Agricultural Operation Loan, it fosters the long-term growth of specialty agriculture, leisure agriculture, and sustainable green agriculture. This approach facilitates simultaneous improvements in comprehensive rural financial services and operational efficiency. As of the end of 2024, the Bank has supported 241 clients through its Agricultural Operation Loan and Agricultural Construction Loan products. The total loan balances reached 2.249 billion RMB, reflecting an increase of 400 million RMB since the beginning of the year, which equates to a growth rate of over 22%.



#### Case Changshu Rural Commercial Bank Supports Jiangsu Agricultural Technology Businesses

Changshu Rural Commercial Bank promptly visited Jiasheng Agricultural Technology Development Co., Ltd. and identified that the company was facing a funding gap. After thoroughly understanding the client's needs, the Bank decided to provide support through its Agricultural Operation Loan product, cumulatively disbursing 2 million RMB. These funds were utilized to support research and development investments in facility agriculture, contributing to the implementation of the rural revitalization strategy.







## Special Topic

### Starting with “Agriculture, Rural Areas, and Farmers” to Enhance Rural Revitalization and Benefit Households

## Innovation in Rural Finance Services

### Resource Integration

Changshu Rural Commercial Bank is actively integrating resources by participating in various initiatives organized by the National Financial Regulatory Administration, local governments, and agricultural and rural authorities. Through programs such as Haitang Engagement: Finance Benefiting Agriculture, Rural Revitalization: Advocating for Farmers, and the Changshu Village Run series, the Bank is working to deliver financial knowledge to rural communities and promote beneficial financial products.



#### Case Rural Revitalization and Advocacy for Farmers

In August 2024, Changshu Rural Commercial Bank signed a strategic cooperation agreement with Suzhou Agricultural Development Group, marking the beginning of a new chapter in party-building collaboration and agriculture-bank cooperation. This partnership enhances communication and establishes a solid foundation for exploring a Party-building + Finance model. The Bank will leverage this collaboration as an opportunity to deepen its rural financial service initiatives, consistently adhering to its original mission of supporting agriculture, rural areas, farmers, and small businesses. By focusing on its core responsibilities, the Bank aims to contribute to local economic and social development and fully support rural revitalization efforts.



## Livestreams Supporting Agriculture

The Bank is actively developing a brand dedicated to agricultural assistance, with a strong commitment to adding value for farmers through the capabilities of our online platform. In 2024, the total sales volume (GMV) from our agricultural assistance live broadcasts reached an impressive 8.2 million RMB. Notably, our live broadcast brand Xiaoxing Tuantuanle facilitated several sessions featuring products such as Jinhu crayfish, Dongtai watermelons, and Yangshan honey peaches, generating over 1.27 million RMB in sales. In August 2024, Xiaoxing Tuantuanle partnered with Haitang Shop to support grape growers in Xuzhou City, successfully selling over 85,000 kilograms of Shine Muscat grapes for struggling farmers, resulting in sales of 150,000 RMB.



Jinhu Crayfish Livestream



Dongtai Watermelon Livestream



Yangshan Peach Livestream



Sunshine Rose Grapes Livestream





## Special Topic

### Starting with “Agriculture, Rural Areas, and Farmers” to Enhance Rural Revitalization and Benefit Households

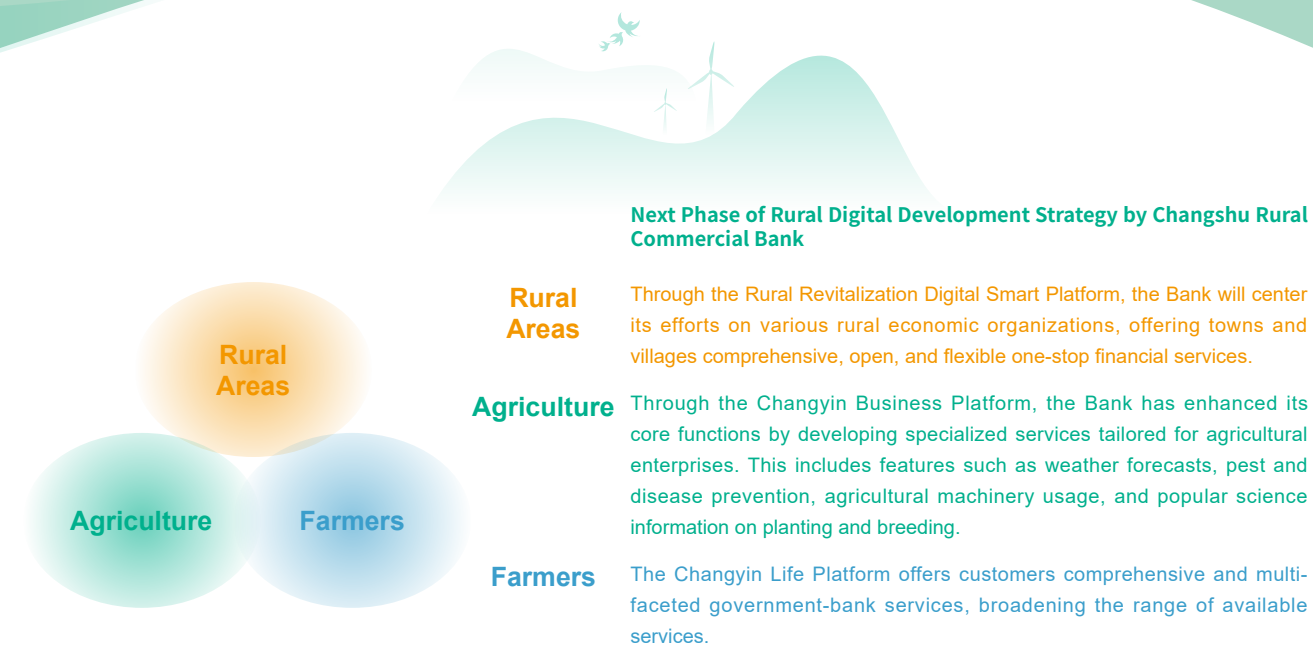
## Rural Digital Service Platform

Changshu Rural Commercial Bank is harnessing its strengths in financial technology to establish the Rural Revitalization Digital Smart Platform. Designed around the goals of rural revitalization, this platform offers towns and villages a comprehensive, open, and flexible one-stop financial service. In 2024, the platform attracted a total of 1,097 users, with operations exceeding 206,100 and total transactions reaching 186,300. The cumulative transaction amount stood at 22.371 billion RMB.



Screenshot of Changshu Rural Commercial Bank's Rural Revitalization Digital Smart Platform

In the next phase, the Bank will continue to focus on the agriculture sector, rural areas, and farmers by employing a Build-Connect-Use approach to create a unique rural revitalization financial service platform. Leveraging financial technology, the Bank aims to empower the development of rural areas, agriculture, and farmers.



#### Case Changshu Rural Commercial Bank's “Digital Currency Village” Initiative

Changshu Rural Commercial Bank is actively developing the Digital Currency Village initiative, having successfully established digital currency wallets for 201 village-level collective economic organizations, covering 152 villages. The digital currency wallet activation rate in supervised administrative villages has reached an impressive 100%, facilitating digital currency transactions totaling 0.811 billion RMB. As of December 31, 2024, the Rural Revitalization Digital Smart Platform had attracted 1,097 users, with platform operations exceeding 206,100 and total transactions reaching 186,300, amounting to a cumulative transaction value of 22.371 billion RMB.

Changshu Rural Commercial Bank is vigorously advancing digital rural development, enabling the timely exchange and sharing of information on policies, projects, and funding. This effort supports the overarching goal of enhancing rural governance.



#### Case Changshu Rural Commercial Bank Launches the “Smart Canteen System”

In November 2024, Changshu Rural Commercial Bank introduced its self-developed Smart Canteen System at the Haitanghong Xingfuli community canteen. This innovative system is equipped with devices for elderly meal subsidies, allowing seniors to make meal payments and complete subsidy settlements effortlessly using facial recognition or card swiping. The Smart Canteen System not only simplifies the payment process for seniors and enhances their dining experience but also significantly promotes the digitalization of canteen operations. This initiative serves as a compelling example of effective community digital development.







# Section I

## Governance as a Safeguard: Ensuring Corporate Stability

Changshu Rural Commercial Bank operates under the comprehensive leadership of the Party, grounding itself in the new stage of development and implementing the new development concepts. The Bank remains committed to its market positioning focused on serving agriculture, rural areas, farmers, and small businesses and steadily advances the five major initiatives encompassing technology finance, green finance, inclusive finance, pension finance, and digital finance. The Bank conducts in-depth research on corporate governance, solidifying its compliance and risk management practices to firmly protect investor rights. Additionally, it explores the frontiers of digital and intelligent innovation. Changshu Rural Commercial Bank continuously enhances its corporate governance system, boosts its governance capabilities, and strives toward the goal of becoming a leader in rural finance.



### Performance Highlights in 2024

Annual distribution

**75,374.65** 10k RMB

Investor receptions

**79**

### Responses to UN SDGs







# Party Building as the Pilot: Setting Sail for a New Journey and Reaching New Heights

Changshu Rural Commercial Bank is guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. The Bank is committed to comprehensively studying, understanding, and implementing the spirit of the 20th National Congress of the Communist Party of China. To strengthen its Party building system, the Bank actively engages in various Party building activities, promotes education and practical initiatives, and cultivates a distinctive demonstration platform for Party building culture. Through high-quality Party building efforts, Changshu Rural Commercial Bank aims to drive its high-quality development.

Party branches

92

Party building brands

1

CPC members

1,525

Party Committee meetings

37

## Party Building System

Changshu Rural Commercial Bank prioritizes Party building, fully leveraging the leadership role of the Party to advance its initiatives. In 2024, the Bank diligently implemented the Regulations on the Party Committee's Implementation of the Main Responsibility for Comprehensively and Stringently Governing the Party. This included developing an annual list of key responsibilities related to strict Party governance and clarifying the Party secretary's role as the primary accountable person. As a result, the Bank has effectively ensured that all responsibilities for stringent Party governance are thoroughly executed and adhered to.

## Integration of Party Building and Business

Changshu Rural Commercial Bank is committed to the deep integration of Party building with its business operations. The Bank employs a unified approach to planning, synchronized deployment, collaborative implementation, and joint inspections. By utilizing Party-building collaborations to expand partnerships and business opportunities, the Bank remains focused on strengthening its Party-building efforts to drive business growth. It has innovatively developed the Party-building + Business Projects model, fostering mutual empowerment between Party building and business initiatives. This approach has created a new framework for high-quality development driven by Party-building principles.

Furthermore, the Party Committee of the headquarters at Changshu Rural Commercial Bank has established a collaborative consensus with 26 departments and bureaus of the Changshu government, as well as with 13 enterprises, enhancing business cooperation and participating actively in rural governance. At the town level, the Bank has appointed 15 institutional heads to serve as members of the Party committee. At the village level, it has selected 253 key personnel to take on roles as director assistants and financial specialists, promoting inclusive finance to reach local households. This strategy deeply integrates rural governance, rural industrial development, and the construction of a rural credit system, while continuously expanding the Party-building "network of friends".

## Party Building Activities

Changshu Rural Commercial Bank has developed an action plan for Party discipline awareness, deploying Party education initiatives across all levels of Party organizations. This strategy promotes the effective execution of thematic activities, ensuring that institutional practices yield tangible results. These initiatives effectively strengthen the cohesion of the Bank's Party organizations and enhance the political awareness and professional competence of Party members.



### Case Changshu Rural Commercial Bank Conducts a Study Tour at the Education Base

In June 2024, members of the Party Committee from Changshu Rural Commercial Bank visited the Changshu Municipal Moral Education Base at Yanzi's Former Residence for an on-site study session. Through engaging in observing artifacts, studying historical materials, and watching relevant films, participants gained a comprehensive and multi-dimensional understanding of Yanzi's noble sentiments of respecting virtue and protecting the people and upholding etiquette and harmony. This enriching experience infused powerful spiritual motivation into the Bank's subsequent management practices, risk prevention strategies, customer service initiatives, and other operational areas, bolstering Changshu Rural Commercial Bank's steady advancement within the financial sector.



### Case Changshu Rural Commercial Bank Conducts a Reading Class on Party Discipline Education

In April 2024, Changshu Rural Commercial Bank organized a Reading Class on Party Discipline Education, inviting instructors from the Party School to provide a systematic overview of the main principles and regulatory requirements outlined in the relevant Regulations. The Party Committee Secretary also delivered a lecture aimed at deepening participants' understanding and internalization of Party discipline. Through this study, the Bank significantly enhanced employees' political awareness, solidified the foundation of its Party-building efforts, and elevated its political stance. As a result, Changshu Rural Commercial Bank strengthened its ideological fortifications, ensuring a more robust commitment to Party discipline and values.



### Case Changshu Rural Commercial Bank Cultivates Party-Building Cultural Service Bases

Changshu Rural Commercial Bank has meticulously developed a series of model demonstration centers focusing on Party-building initiatives. At its headquarters, the Bank established the Feiyan Party-Building Hall, a corporate image exhibition center that has welcomed over 10,000 visitors to date. In its branches, the Bank has set up several specialized locations, including the Shajiabang Red Culture Branch. This branch consists of three key areas: the Red Hall, the Red Corridor, and the Chunlai Tea House, transforming it into a unique red-themed center. This specialized base integrates red education, financial services, community government services, public engagement, and employee activities, creating a vibrant hub of cultural and educational initiatives.







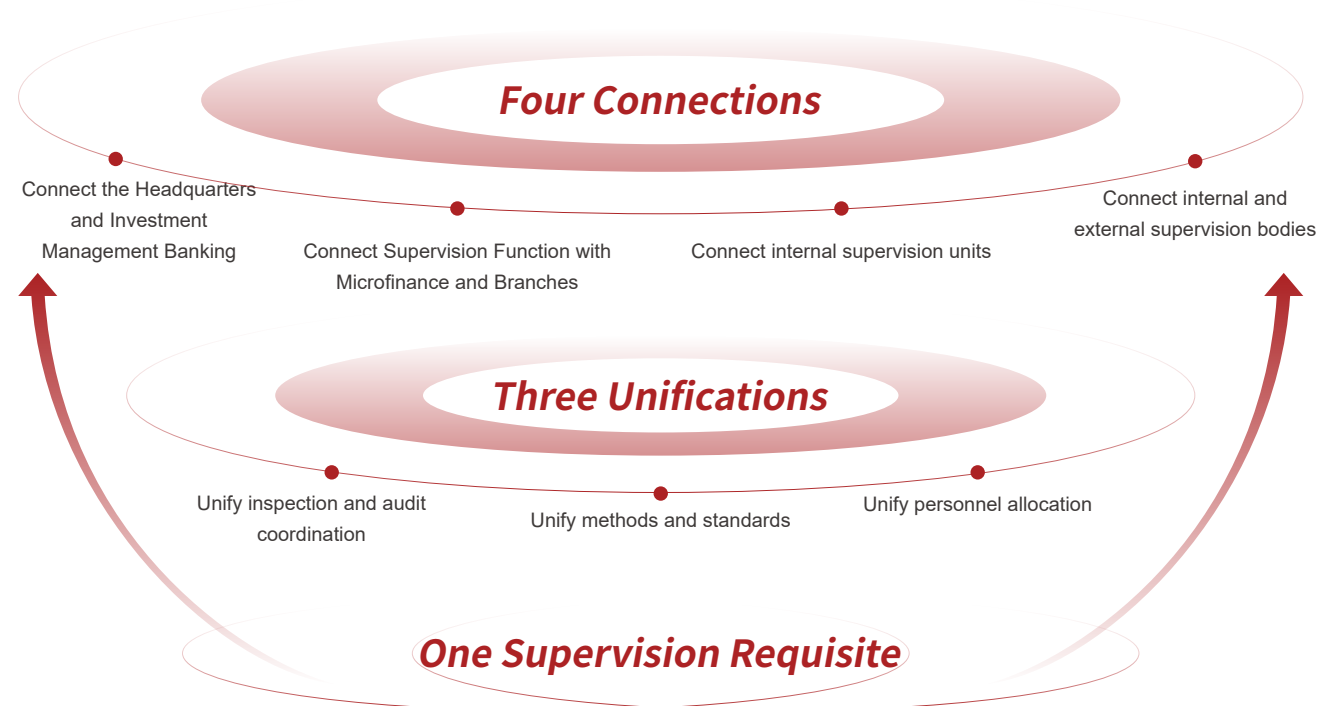
## Party Conduct and Integrity

Changshu Rural Commercial Bank has taken significant strides in enhancing Party conduct and integrity throughout the organization. The Bank has reorganized the members of the Discipline Inspection Commission to effectively strengthen its role as the primary force in disciplinary supervision. In parallel, the Bank continues to develop its part-time disciplinary inspection teams. Currently, under the leadership of the Party branches, the Bank has 50 disciplinary committee members and 7 part-time disciplinary supervisors who play a crucial supervisory role as front-line monitors. By establishing and refining both full-time and part-time disciplinary inspection teams, the Bank effectively ensures the Discipline Inspection Commission's ability to supervise, guarantee implementation, and promote continuous improvement and development.

The Bank is committed to continuously enhancing the quality and efficiency of its inspection and supervision processes. It has developed a Three-Year Plan for Inspection and Supervision Work (2024–2026) that promotes coordinated efforts across political inspections, disciplinary supervision, audit oversight, and more, effectively achieving a synergistic effect where  $1 + 1 > 2$ .

In 2024, Changshu Rural Commercial Bank established the 431 Plan, which drives the unification of work processes, penalty standards, and accountability measures. A key focus area is the implementation of joint inspections and audits, which serves as the primary tool for advancing bank-wide disciplinary supervision. This initiative aims to achieve the goals of “four connections and three unifications”, ensuring that these efforts lead to tangible results.

### Changshu Rural Commercial Bank's 431 Program



Changshu Rural Commercial Bank has further enhanced its system by requiring new employees to sign integrity commitment letters in addition to their employment contracts. At the same time, the Bank has firmly established the awareness that holidays are also integrity tests. It closely monitors minor corruption issues during significant holidays such as the Spring Festival, Labor Day, Mid-Autumn Festival, and National Day. The Bank has released eight anti-corruption prohibitions and sent integrity reminders to all staff via Lanxin on five occasions. Additionally, it has organized three all-staff training sessions focused on typical cases of violations of the Central Committee's Eight Provisions within the Jiangsu rural commercial banking system.

Warning Letter: 16 Red Lines for Employee Conduct	<b>Five Integrity Commitments by New Employees at Changshu Rural Commercial Bank</b>	Ten Prohibitions on Employee Behavior
Commitment to Avoid Illegal Loan Intermediaries		Employee Integrity and Self-Discipline Commitment Letter
	Employee Compliance Commitment Letter	



#### Case 2024 All-Staff Warning Education Conference

In May 2024, Changshu Rural Commercial Bank conducted an all-staff warning education conference in a hybrid format, combining on-site participation with video attendance. During the event, all employees recited the Warning Letter: 16 Red Lines for Employee Conduct. The conference also featured a review and analysis of cases involving disciplinary violations, emphasizing key points for prevention and control, while proposing targeted requirements to mitigate risks. This approach deepened participants' understanding of integrity warning education. Following the conference, all departments and branches engaged in follow-up learning based on the warning content. Employees were encouraged to write reflections on their learning experiences, and the headquarters established an OA section and a Lanxin broadcast channel to continuously share these reflections, ensuring that the warning education was thoroughly internalized and understood by everyone.



#### Case Changshu Rural Commercial Bank's Changyin School Provides Warning Education Courses

In 2024, the Disciplinary Supervision Office of Changshu Rural Commercial Bank took an active role in promoting warning education. It delivered 16 lectures at the Changyin School and various institutional outlets, totaling 20 hours of instruction that benefited 1,189 employees. Additionally, the office organized 9 on-site warning education activities, lasting a cumulative 5 hours, further reaching 364 employees. Through these comprehensive warning education courses and activities, employees significantly enhanced their awareness of disciplinary protocols, deepened their understanding of discipline, and fostered a stronger sense of disciplinary consciousness throughout the organization.





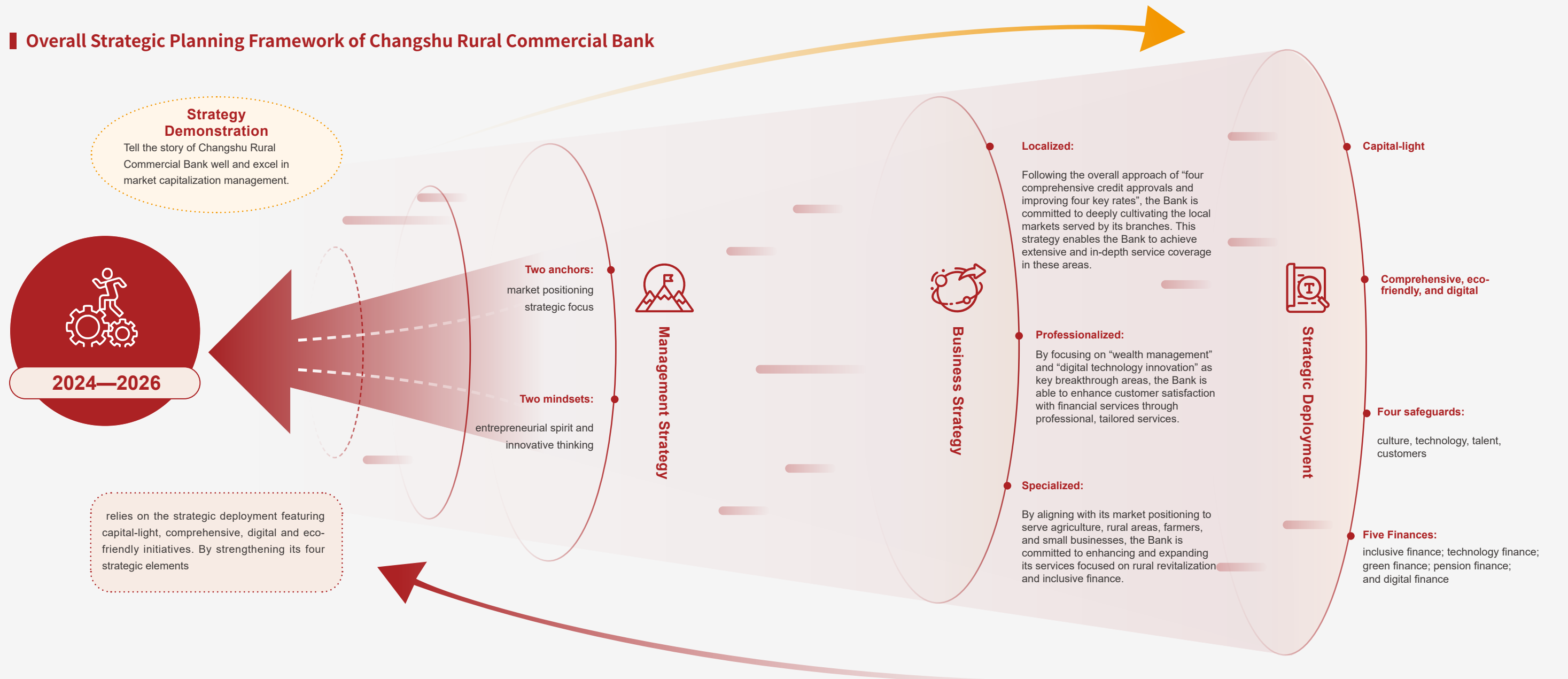
## Strategic Planning and Holistic Governance

Changshu Rural Commercial Bank has developed a strategic growth plan and established a governance framework, clearly defining roles and responsibilities. The Bank is committed to continuously improving its governance system and enhancing standardized operational practices, ensuring robust support for achieving high-quality development.

## Strategic Planning

Changshu Rural Commercial Bank closely aligns with its core guideline of serving the real economy. Focused on the trajectory of high-quality development and guided by the Eight-Persistence proposed at the Sixth Financial Work Conference at the central government, the Bank has developed its Strategic Development Plan for 2024–2026. The Bank is committed to its positioning as a provider of services to agriculture, rural areas, and rural residents” and “micro-finance and community finance” while maintaining a strict bottom line of risk compliance. It excels in its anti-money laundering efforts, formulates effective capital strategies, and relies on the strategic deployment featuring capital-light, comprehensive, digital and eco-friendly initiatives. By strengthening its four strategic elements, the Bank is steadily advancing five major financial initiatives. These initiatives include effectively sharing the Changshu story, fulfilling social responsibilities, serving a diverse customer base, and continuously providing returns to society, shareholders, and small and medium-sized investors.

### Overall Strategic Planning Framework of Changshu Rural Commercial Bank



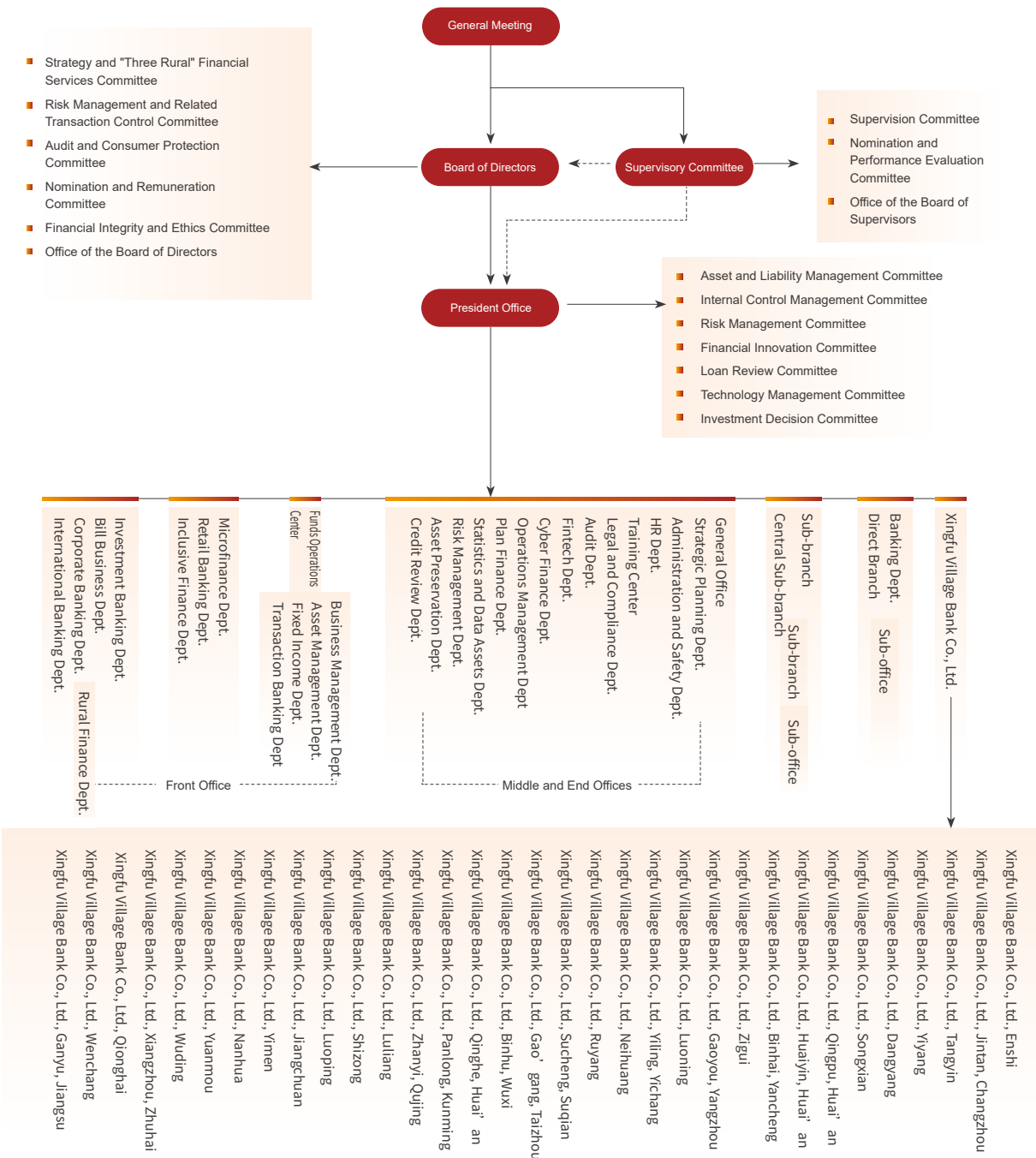




Governance Structure

Changshu Rural Commercial Bank is committed to maintaining strict compliance with the Corporate Governance Guidelines for Banking and Insurance Institutions. The Bank continuously strives to modernize its governance system and enhance its capabilities as a publicly listed company. It has established a corporate governance framework characterized by clear delineation of rights and responsibilities, defined roles and responsibilities, independent operations, and mutual checks and balances. This approach allows Changshu Rural Commercial Bank to continuously improve its governance effectiveness.

Governance Structure of Changshu Rural Commercial Bank



Regulated Governance

Changshu Rural Commercial Bank is dedicated to continually improving its governance effectiveness, standardizing decision-making processes, and ensuring that its decisions are professional. This focus promotes the efficient, scientific, and standardized operations of the bank as a publicly listed company.

General Meeting

In strict accordance with the requirements of laws and normative documents such as the Company Law of the People's Republic of China and the Rules on Shareholders' General Meeting of Listed Companies, Changshu Rural Commercial Bank standardizes the general meeting operation mechanism with its Articles of Association. Also, the Bank focuses on the protection of small and medium-sized shareholders to ensure their legal rights and interests.

General meetings			
General meetings	In which: Annual general meeting	Extraordinary general meeting	Approved proposals
2	1	1	13

Board of Directors

Changshu Rural Commercial Bank is committed to strengthening the effectiveness of its Board of Directors by fully implementing its various responsibilities and ensuring that the Board functions effectively in its key roles of setting strategy, making decisions, and managing risks. As of the end of 2024, the Board comprised 13 members, including 5 independent directors. Throughout 2024, the Bank held 7 Board meetings. The Board members bring diverse professional backgrounds in law, finance, financial technology, and other relevant fields, ensuring sound governance and informed decision-making.

Board Composition of Changshu Rural Commercial Bank

Name	Gender	Age	Title
Xue Wen	Male	51	Chair
Bao Jian	Male	44	Executive director, president of the Bank
Sun Ming	Male	51	Executive director
Yuan Xiang	Male	49	Equity director
Chen Xing	Male	38	Equity director
Xu Xuefeng	Male	55	Equity director
Wang Chunhua	Male	62	Equity director
Zhu Qinbao	Male	71	Equity director
Cai Zexiang	Male	67	Independent director
Fan Jingwu	Male	54	Independent director
Pang Ling	Male	53	Independent director
Zhou Yueshu	Female	52	Independent director
Zhou Mei	Female	47	Independent director



Committees under the Board

The Board of Directors of Changshu Rural Commercial Bank supervises five major committees. The Bank has developed and refined the rules of procedure for each committee to enhance the Board’s decision-making capabilities, ensure effective oversight of management, and strengthen the corporate governance structure.

Strategy and Rural Finance Committee	It is responsible for shaping the Bank’s long-term development strategy, making key investment decisions, conducting ESG research, and overseeing the strategic planning, implementation, and evaluation of services related to agriculture, rural areas, and farmers’ businesses.
Risk Management and Related-party Transaction Control Committee	It manages and supervises the Bank’s risk management efforts and reviews related-party transactions.
Audit and Consumer Right Protection Committee	It oversees communication, supervision, and verification of internal and external audits. It plays a vital role in the strategic planning, implementation, and evaluation of consumer rights protection initiatives.
Nomination and Compensation Committee	It develops selection criteria and procedures for directors and senior management, conducts preliminary reviews of candidates, and makes recommendations to the Board. It establishes evaluation criteria for directors and senior management, oversees the evaluation process, and develops compensation policies and plans.
Finance Integrity and Ethics Committee	It is tasked with standardizing, managing, supervising, and evaluating the Bank’s financial integrity and ethics programs, while actively promoting the development of ethical finance practices.



Supervisory Committee

The Supervisory Committee of Changshu Rural Commercial Bank diligently fulfills its responsibilities by overseeing the financial status of the listed company and ensuring the legitimacy and compliance of the performance of directors and senior management. It effectively implements its goals of enhancing supervision, actively providing recommendations, and strengthening management, thereby fully exercising its supervisory functions to ensure the standardized operations of the listed company.

Supervisory Committee Composition of Changshu Rural Commercial Bank

Name	Gender	Age	Title
Song Yi	Male	54	Employee representative supervisor Chief supervisor
Huang Ye	Female	48	Employee representative supervisor
Qian Xiaofeng	Male	44	Shareholder supervisor
Shen Mei	Female	56	Shareholder supervisor
Chen Dexiang	Male	56	External supervisor
Gao Zhiling	Female	48	External supervisor





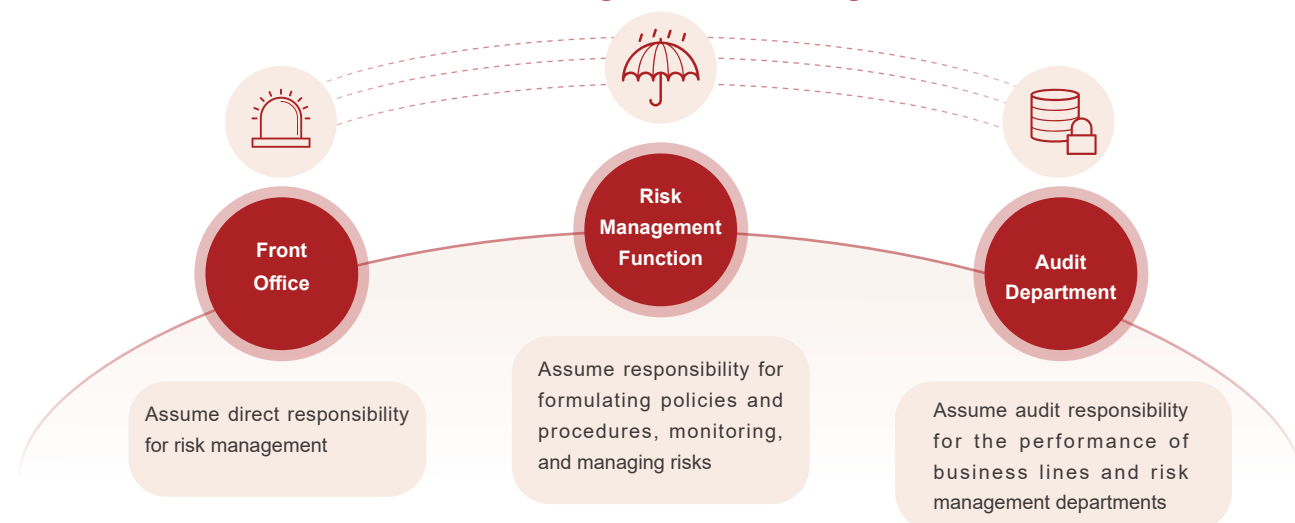
## Comprehensive Risk Control and Compliance

Changshu Rural Commercial Bank is committed to continuously strengthening its compliance and risk control framework. The Bank is dedicated to enhancing its risk management system while clearly defining the goals, requirements, and objectives for risk control and compliance management. It focuses on improving risk governance in key areas, elevating the overall management standards, and bolstering its risk prevention capabilities. These efforts ensure stable operations and pave the way for a new phase of comprehensive risk control and compliance management.

### Risk Management

Changshu Rural Commercial Bank has developed the Comprehensive Risk Management Policy of Jiangsu Changshu Rural Commercial Bank Co., Ltd., which establishes a well-structured risk management hierarchy. This policy clearly defines the rights and responsibilities associated with risk management and implements a Three Lines of Defense risk management model. The Bank has also created a comprehensive three-year risk management plan, an annual risk appetite statement, and guidelines for risk management. These initiatives include the establishment of a risk appetite indicator system and clear limit management requirements, all of which effectively guide the steady development of business operations. For 2024, the Bank has incorporated 193 risk limit indicators that cover major risk categories, including credit risk, liquidity risk, market risk, operational risk, and technology risk. This comprehensive approach ensures continuous monitoring and effective implementation of risk management practices. This provides a robust foundation for stable operations.

### Three Lines of Defense for Risk Management at Changshu Rural Commercial Bank



The early warning mechanism for credit business acts as a risk prevention and control system. Changshu Rural Commercial Bank utilizes a variety of external data sources, including industrial and commercial information, Qichacha, local credit records, credit data from the People's Bank of China, and real estate information, alongside its own internal data, such as credit history, financial records, and transaction flows. This comprehensive approach allows the bank to establish a series of early warning indicators to monitor and manage the credit process throughout the pre-loan, during-loan, and post-loan stages. When potential risks are identified through early warning data, account managers are promptly notified, enabling them to investigate and implement effective risk mitigation strategies.

The risk early warning system serves as a crucial trigger for the Bank's nine-in-one linkage mechanism and is a key tool for digitally managing credit risk. For high-risk red alerts, immediate action is taken to halt any new credit grants and utilization for the borrower, while also initiating measures to reduce or withdraw existing credit proactively. In the case of medium-risk yellow alerts, borrowers may be required to submit additional documentation, and their business operations will be monitored more closely. By continually optimizing the early warning mechanism and adjusting parameters such as indicator weights and thresholds in response to changing risk circumstances, we can enhance the accuracy and effectiveness of our risk management efforts.

The Bank adopts a meticulous approach to managing major risks and strengthens its risk management measures to effectively prevent and resolve various significant challenges, including credit, liquidity, market, operational, and technology risks.

## Comprehensive Risk Control System of Changshu Rural Commercial Bank

### System and Mechanism: Strengthening Pre-Event Prevention

- ▶ Guided by an extensive analysis of 37 risk preferences and 193 limit management measures, along with various implementation rules, we have established comprehensive system control platforms. These platforms encompass multiple domains, including credit management, risk early warning, internal non-zero ratings, operational risk, compliance and internal control, as well as asset and liability management. This ensures a holistic integration of mechanisms and systems that work in unison for enhanced risk prevention.

### "Four-Three-Two" Model: Strengthening In-Event Control

- ▶ This model embodies a strategic approach to dynamically manage four critical lists: customer tier lists, gray/black lists, related customer lists, and alert lists.
- ▶ We place particular emphasis on three essential areas: significant amounts, minor amounts, and existing balances. Utilizing targeted measures, we are committed to effectively managing large amounts, enhancing the management of small amounts, and stratifying existing balances.
- ▶ We have innovated a joint review framework that integrates "on-site risk review" with "expert risk review". In this initiative, we have cultivated a team of 36 industry experts across 24 key industries to conduct parallel operations.

### Implementation of a "Nine-in-One" Multi-Dimensional Joint Prevention Framework

- ▶ We have instituted a robust nine-category linkage system that includes risk warning, internal ratings, customer classification, risk classification, credit granting (and usage), post-loan management, risk resolution, and responsibility determination. This facilitates effective closed-loop risk control management.

### Combining Points and Areas: Implementing Post-Event Inspections

- ▶ We establish dynamic reporting and evaluation mechanisms that allow for the regular monitoring and reporting of comprehensive, specialized, major, and emergent risks.
- ▶ We conduct routine risk inspections that integrate risk warning information, annual post-loan management reviews, and specialized business management checks.
- ▶ We perform dynamic risk assessments that adjust financial asset risk classifications, customer classifications, and credit plans based on the outcomes of our risk inspections.



### Case System Warning Process is Introduced to Corporate Mobile Platform

In September 2024, Changshu Rural Commercial Bank implemented a system warning process on its corporate mobile platform. This enhancement allows account managers to input on-site investigation details in real-time and submit warning approvals directly via their PAD devices. This development enables end-to-end mobile operations for warning signals, from initiation through to approval. With this new warning process, the Bank effectively addressed the challenge of unfinished tasks that arise from personnel changes, thereby optimizing operational efficiency. As a result, the timely resolution rate of warning signals improved significantly, rising from 90% to over 98%, which has strengthened the Bank's overall risk control measures.





## Compliance Management

Changshu Rural Commercial Bank is actively advancing and enhancing its compliance framework. At the Board level, the Bank has created top-level policies, including the Compliance Policy and the Compliance Policy Filing Management Regulations (Trial). Concurrently, the headquarters compliance management department has developed internal management policies, such as the Compliance Management Measures and the 2024 Compliance Case Prevention and Legal Work Plan. The Bank has also established and improved mechanisms for compliance coordination, reporting management, and compliance risk information sharing. These initiatives ensure timely awareness of compliance risk status and management conditions. This ongoing effort enhances the bank's compliance management capabilities and fosters a culture of participation among all staff, creating a comprehensive compliance banking management system that spans the entire organization.

In accordance with the requirements of the Jiangsu Rural Credit Union, the Bank has developed a new three-year plan, the Compliance Bank Development Work Plan (2024–2026), and established a Compliance Case Prevention Leading Group. The Bank has also revised the rules of procedure for this group to promote effective performance by the Board, supervisory committee, and management team, integrating their roles into the responsibilities of the leading group. These actions further strengthen top-level coordination and continuously enhance the construction of the compliance system.

### Six Systems for Compliance Banking at Changshu Rural Commercial Bank

Culture system

Control System

Evaluation and accountability system

Organization system

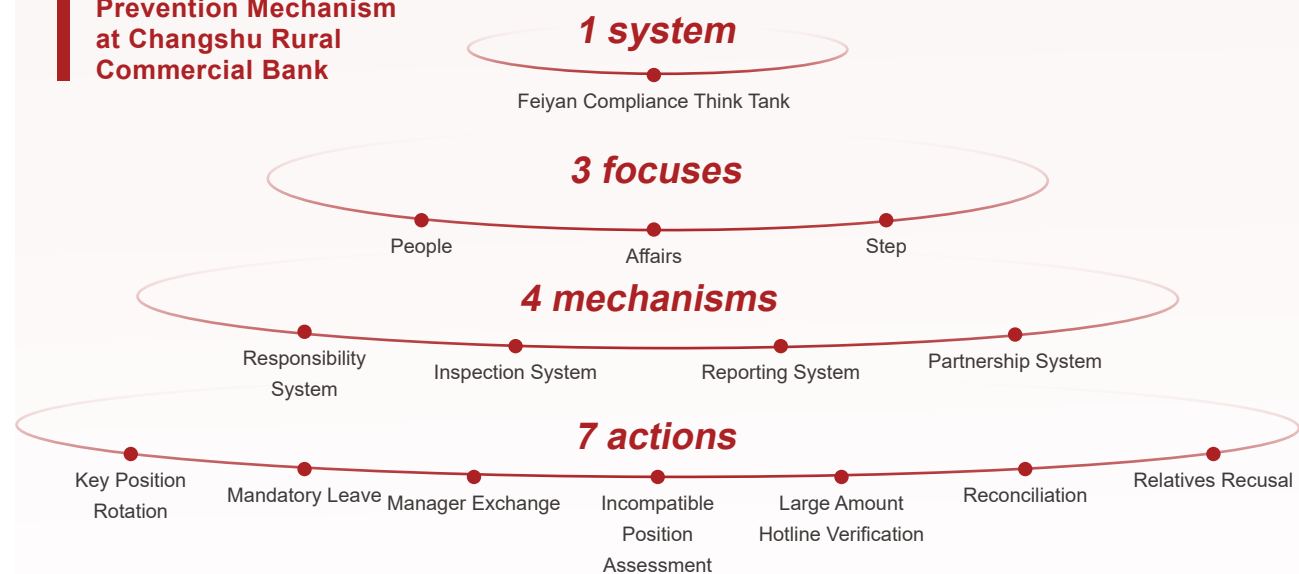
System of policies and procedures

Technology support system

The Bank effectively leverages both internal and external platforms, including the Lanxin official account, Xiaoyan Academy, and video channels, to convey information on regulatory penalties, laws and regulations, and other relevant content. This initiative aims to enhance risk and compliance awareness among all employees. Quarterly compliance meetings are held, during which violation and warning cases, along with other educational materials, are distributed for study across various departments and branches. Additionally, the Bank has created an employee compliance and integrity evaluation system, known as Xiaoyan Credit, which provides a multi-dimensional and dynamic assessment of employees' compliance and integrity status. These efforts improve the effectiveness of managing abnormal employee behaviors and foster a strong internal control and compliance culture within the organization.

The Bank is committed to strengthening compliance and case prevention while continuously promoting awareness and education in these areas to cultivate a compliance-driven business atmosphere. To enhance operational risk management, the Bank employs various tools, including Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRI), and Loss Data Collection (LDC), to effectively mitigate potential operational risks. Additionally, the Bank has established four key mechanisms for compliance and case prevention management. These mechanisms clarify the responsibilities and obligations associated with compliance risk management and promote the sustainable and effective development of the Bank's operations across all departments.

### Goals of the Risk Prevention Mechanism at Changshu Rural Commercial Bank



### Case Changshu Rural Commercial Bank's "Mystery Shopper" Undercover Project

In 2024, Changshu Rural Commercial Bank launched a first-of-its-kind initiative in Jiangsu province by independently designing seven scripted scenarios. The Bank collaborated with a third-party company to conduct undercover visits involving credit personnel. These undercover visitors assumed identities as customers or intermediaries based on the scripted scenarios to assess whether the employees were collaborating with intermediaries during the interviews. By the end of 2024, three rounds of undercover visits were completed.

Through the Mystery Shopper project, the Bank aims to strengthen compliance operations and accurately identify whether tellers are strictly adhering to regulations such as anti-money laundering and identity verification. This initiative reduces non-compliance risks, optimizes branch management, and enhances overall operational standards.



### Case Comprehensive Multi-Level Compliance Training Program at Changshu Rural Commercial Bank

In 2024, Changshu Rural Commercial Bank implemented a robust multi-level compliance training program, totaling 54.5 hours of training for 30,214 participants. This initiative targeted a diverse group of employees, including new hires, account managers, compliance specialists, and others. The training program aims to deepen employees' understanding of the critical importance of compliance and to continuously promote a strong culture of compliance within the organization. Through these training efforts, the Bank is committed to fostering an environment where compliance is prioritized and integrated into daily operations.



## Anti-money Laundering

The headquarters of Changshu Rural Commercial Bank has established an anti-money laundering and counter-terrorist financing task force and created a dedicated meeting framework for this team. The task force convenes at least three work meetings each year. In addition, the Bank has set up a liaison mechanism for anti-money laundering efforts, which includes quarterly work meetings and special sessions as necessary to address current needs.

Guided by the Suzhou Anti-Fraud Center and the People's Bank of China Suzhou Branch, the Bank has launched a Telecom-based Fraud Victim Profile within its anti-fraud system. Through comprehensive management of this profile—incorporating victim alerts, delayed transactions, and real-time customer service intervention—the bank can accurately identify potentially fraudulent activities. The Bank has strengthened employee training to enhance the fraud prevention awareness of its front-line staff. By implementing a "look-ask-verify" approach for customer identity verification, the Bank further safeguards its customers' financial security. In 2024, the Bank successfully intercepted a total of 22 cases of telecom-based fraud, involving victim funds amounting to 1.445 million RMB.



### Case Successful Interception of Abnormal Cash Withdrawal Through Bank-Police Collaboration

A branch effectively utilized its role as the first line of defense at the branch counters. Through a proactive partnership with law enforcement, we successfully intercepted an abnormal cash withdrawal, safeguarding 100,000 RMB in customer funds. This initiative received commendation from the Anti-Fraud Center of local Public Security Bureau as well as heartfelt gratitude from the customer.

Additionally, all anti-money laundering specialists at Changshu Rural Commercial Bank have completed the competency assessment conducted by the Jiangsu Rural Credit Union. Among them, five specialists achieved the International Certified Anti-Money Laundering Specialist (ICAP) certification at the basic level.





## Accurate Disclosure and Efficient Communication

Changshu Rural Commercial Bank places a strong emphasis on protecting investor interests and adheres to a prudent and responsible approach. The Bank continuously enhances its regular and in-depth communication mechanisms with investors, striving to build a stable, efficient, and transparent bridge for information exchange. This commitment effectively safeguards their legal rights and fosters mutual trust while conveying the Bank's business philosophy, performance achievements, and future development direction. By sharing its development successes with investors, the Bank promotes the sustainable and healthy development of investor relations.

Disclosed periodic reports

4

Interim announcements

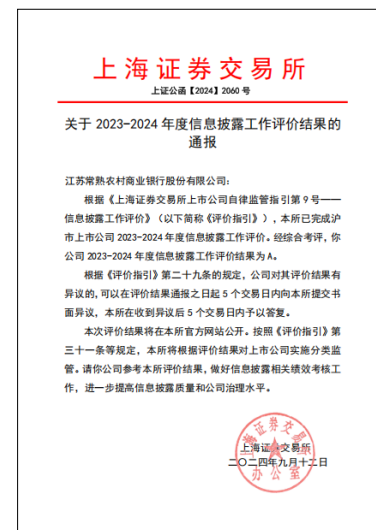
47

Other documents

22

### Information Disclosure

Changshu Rural Commercial Bank strictly adheres to the Company Law and Securities Law of the People's Republic of China, along with the Administrative Measures for Information Disclosure of Listed Companies, the Shanghai Stock Exchange Listing Rules, and other relevant regulations and articles of association. The Bank has developed the Information Disclosure Management Measures and other policies to standardize the reporting of significant information and streamline the information disclosure approval processes, ensuring the protection of investors' legal rights. In 2024, the Bank disclosed four periodic reports, 47 interim announcements, and 22 other documents. Impressively, Changshu Rural Commercial Bank has earned an A rating in the Shanghai Stock Exchange's information disclosure evaluation for six consecutive years.



### Investor Communication Activities of Changshu Rural Commercial Bank

Performance briefing

3

Investor receptions

79

Replies at <http://sns.sseinfo.com/>

21

Securities brokerage strategy meetings

21

## Investor Communication

Changshu Rural Commercial Bank consistently views investor relations management as a crucial strategy for maintaining market value stability and promoting high-quality development. The Bank continually enhances its investor relations management system and improves the level of service provided to investors.

In 2024, through a blend of online and offline approaches, the Bank hosted 79 sessions with institutional investors, which included on-site and telephone research, involving 472 institutional investors. Additionally, the Bank participated in 21 brokerage strategy meetings and conducted 36 one-to-many communication sessions, engaging with 229 institutional investors.

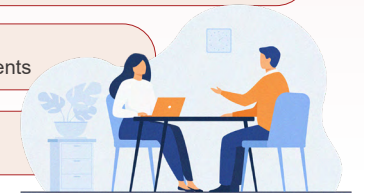
#### Communication Channels Available to Investors

**Online**  
[Http://sns.sseinfo.com/](http://sns.sseinfo.com/), and the Bank's website

**Meeting**  
Performance briefings, and investor online and offline exchange meetings

**Written**  
Regular reports, and interim announcements

**Telephone**  
Dedicated investor line



The Bank actively engages in investor education activities, utilizing a variety of formats both online and offline to foster in-depth communication with investors and convey its corporate values and development philosophies.

## Interests and Rights of Investors

Changshu Rural Commercial Bank is committed to ensuring that small and medium-sized shareholders have the right to be informed and to participate in decision-making processes. This commitment is upheld through a transparent voting mechanism and public information disclosure, effectively protecting the interests of these shareholders. For the year 2024, the Bank plans to base its cash dividend distribution on the total share capital registered on the equity distribution and share registration date. Shareholders will receive a cash dividend of RMB 2.50 (tax included) for every 10 shares held, amounting to a total cash dividend distribution of RMB 753,746,500 (tax included). Additionally, the Bank will distribute 1 bonus share for every 10 shares held to all shareholders from its capital reserve.

### Dividend Distribution of Changshu Rural Commercial Bank

Cumulative distribution amount since its going public

506,223.87

10k RMB

2024 distribution amount

75,374.65

10k RMB





# Digital Blueprint: Lean and Efficient Journey





## Digital Intelligence Navigation

Changshu Rural Commercial Bank is actively responding to regulatory policies and is advancing its digital transformation journey in a unique and orderly manner. The Bank has established a dedicated digital transformation leadership team, which is subdivided into one execution office and six specialized groups. These groups are tasked with addressing business challenges, proposing innovative solutions, and formulating digital transformation strategies and annual work plans. Through a refined division of labor, the Bank is able to unlock its internal potential, achieving efficient allocation and utilization of resources while shaping a new standard of excellence in digital financial services.



Changshu Rural Commercial Bank is diligently advancing its digital transformation journey, guided by the 369 Transformation Plan, which aims to establish a solid foundation in three years, achieve initial results in six years, and develop a comprehensive system in nine years. Over the next three years, the Bank will prioritize data governance and the digital transformation of its large retail banking. By leveraging digital technology, it aims to redefine its business logic and carve out a transformation path that is tailored to its corporate characteristics and closely aligned with its operational activities.

## Strategy for Digital Transformation

 <div>Digital Channel</div>	Digital transformation of offline branches, building online channels; channel integration and collaboration.
 <div>Digital Marketing</div>	User identification, user reach, user conversion and user operations monitoring
 <div>Digital Product</div>	Starting from the product design phase, the Bank reshapes the product value chain and business model, using digital methods to fully empower every stage of the product lifecycle, from design to sales and operations.
 <div>Digital Risk Control</div>	The Bank seamlessly integrates cutting-edge technologies such as big data, artificial intelligence, and cloud computing into its risk control operations, resulting in fully online, digital, and intelligent risk management processes.

## Continuous Improvement of Data Middle Office

Changshu Rural Commercial Bank harnesses big data technology to establish a robust data middle office system. The Bank is committed to continuously enhancing this platform, ensuring the effective collection and integration of both internal and external data assets. This effort results in comprehensive data models that significantly improve data asset management capabilities, solidify data foundations, standardize data protocols, and increase data value. Furthermore, it promotes agile innovation and drives business intelligence, ultimately enabling the creation of a comprehensive data ecosystem. Through these advancements, the Bank is able to cultivate a data-driven intelligent financial ecosystem that supports its business development.

Data Middle-Office System			
Data Development Management Platform	Data Assets Management Platform	Data Indicators Management Platform	Migration Service
Supports a range of functions including asset data integration, data development, O&M monitoring, data security, data scheduling, data control and data service.	Supports a range of functions including asset overviews, asset catalogs, detailed asset information, asset utilization, asset evaluation, asset management, and data APIs, among others.	Supports a variety of functions including the design of indicator models, research and development of indicators, as well as their operation, maintenance, and management.	This involves migrating data, bulk tasks, and real-time tasks from the original basic platform, planning the historical data model, and making necessary adjustments in line with data architecture, standards, and specifications.



### Case Promoting the Construction of a Data Center

Changshu Rural Commercial Bank has established an impressive technological infrastructure, positioning itself as a leader in its field. Embracing the principles of reliability, sustainability, and intelligence, the Bank has developed the Yangu Green Data Center. This facility serves as a stable and dependable foundation for the storage, processing, and analysis of vast financial data. The data center boasts a targeted Power Usage Effectiveness (PUE) of less than 1.4, a benchmark that aligns it with advanced standards for small and medium-sized data centers. By implementing green and energy-efficient technologies, the data center significantly lowers operating costs while aligning with the broader trend of sustainable development. Furthermore, the Bank utilizes intelligent operation and maintenance strategies to enhance data processing efficiency, thereby providing comprehensive support for the growth of its fintech operations.



## Pomoting the Coordinated Development of Digital Finance

Changshu Rural Commercial Bank is committed to pooling resources to drive key digital projects, ensuring a smooth and orderly digital transformation. The bank actively promotes the innovative mobile work platform for corporate clients. By leveraging electronic signature technology and enabling paperless mortgage registration, it allows for the online signing of essential credit documents, including loan contracts, guarantee agreements, and resolutions. In addition, the Bank integrates its comprehensive service platform with the Changyin Life platform, seamlessly connecting customer points and rights. This integration constantly enhances the quality and efficiency of financial services provided by Changshu Rural Commercial Bank, reinforcing its commitment to digital innovation.



### Case Promoting Digital Transformation in Comprehensive Tax Management

In June 2024, Changshu Rural Commercial Bank successfully launched a comprehensive tax management system that encompasses all tax types, processes, and entities within the organization. This new system includes features such as tax calculations, a policy and regulation database, and tax calendar reminders. With this all-inclusive tax management system, the Bank has achieved a significant digital transformation in corporate tax management, supported by advanced software solutions. This initiative addresses the inefficiencies and inaccuracies associated with traditional manual tax calculations and declarations. As a result, Changshu Rural Commercial Bank has improved the automation of its tax management processes and enhanced the standardization of its fiscal and tax operations.







Case Changshu Rural Commercial Bank Launches the First Online “Mortgage Renewal Without Principal Repayment” Service

In 2024, Changshu Rural Commercial Bank introduced its first Mortgage Renewal Without Principal Repayment service, allowing customers to complete the entire process online. With this innovative model, clients can easily access services through online banking or mobile apps. By leveraging electronic signatures and seals, they can effortlessly sign and submit mortgage-related documents, including mortgage contracts, credit usage agreements, and mortgage application forms. Once the documents are received through the Bank’s platform, the Real Estate Registration Center processes the cancellation of the existing mortgage and the establishment of the new one related to the loan renewal. This new approach has simplified the process from requiring two separate in-person visits to a single electronic submission. The turnaround time has also dramatically improved, reducing from 3 to 5 days to just under 2 hours. This advancement not only streamlines the mortgage renewal experience but also enhances the bank’s offerings in the interconnected realms of real estate and finance.



Changshu Rural Commercial Bank’s Commitment to Digital Currency Integration



Corporate Banking

A digital RMB loan disbursement solution has been integrated into the corporate online banking system. This allows for the entire loan processing procedure to be completed online, effectively addressing the needs of enterprises for efficient and convenient financial services.



Healthcare

In collaboration with the Health Commission, we have launched a regional medical integration platform that offers digital currency payment function across various scenarios, including registration, outpatient fees, and self-service devices in 18 hospitals. This initiative is designed to enhance the payment experience for the public during their medical visits.



Daily Life

In partnership with Qinchuan Sub-district, we have implemented the Smart Classification project to establish a digital currency application ecosystem. This initiative aims to create a 15-minute digital lifestyle community and broaden the use of digital currency in everyday life.

Technological Innovation

With a focus on technological innovation and empowerment, Changshu Rural Commercial Bank is embarking on a comprehensive journey of finance transformation. Through a series of forward-looking strategic plans, a robust foundation of technological expertise, and extensive collaboration, the Bank is fully committed to fostering innovation. In 2024, Changshu Rural Commercial Bank invested 366,766,500 RMB in research and development.

Technology Management System

Changshu Rural Commercial Bank has established a Fintech Center and implemented a flat management structure that connects the Headquarters, Secondary Departments, and Tertiary Teams. This setup enables the efficient collaboration of 1,000 technology professionals. Among them, approximately 800 are dedicated to research and development, including in-house specialists, outsourcing experts, and technical advisors from partner companies. This diverse and streamlined approach breaks down hierarchical barriers, accelerates information flow, and expedites project implementation, providing a significant boost to technological innovation.

The bank has also crafted a Fintech Development Plan for 2023-2026, which outlines clear strategic goals and accurately identifies the direction for technology empowerment. This ensures that all research and development efforts, along with innovation initiatives, are aligned with core business needs, effectively enhancing customer experience and supporting the efficient growth of frontline operations.

The Bank’s 1146 Strategic Blueprint

1 Main Line	Serve customers, serve the front-line staff and serve the business activities
1 Goal	The Bank’s overall strength of fintech is among the leading tier among small and medium-sized financial institutions.
4 Initiatives	Eco-friendly, intelligent, agile and standard
6 Capabilities	Technology governance, technology services, data services, operation and maintenance support, security measures, and self-management and autonomy.

IPR Protection

Changshu Rural Commercial Bank files patent applications and registers copyrights in compliance with relevant laws and regulations, including the Patent Law and Copyright Law of the People’s Republic of China. The Bank fosters a culture of invention and creation, promoting independent innovation while placing a strong emphasis on the protection of intellectual property rights. To support this effort, it has established incentive measures and actively encourages the pursuit of technical invention patents and software copyrights.

Investment in research and technological innovation

36,676.65 10k RMB

Software copyrights granted

5

Technological innovation projects

146

Cumulative software copyrights

62

IPR training participation

200

Academic Cooperation and Exchange

Changshu Rural Commercial Bank is proactively engaging in external partnerships to fuel the diverse expansion and innovation of its business. In 2024, the Bank collaborated with Alibaba Cloud, Ausxinbase Technology, and Huawei, signing strategic cooperation agreements and jointly establishing a technology laboratory. This partnership focuses on the application of cutting-edge technologies, including large language models, distributed databases, intelligent code assistants, knowledge graph platforms, and the HarmonyOS system. Together, they are working to broaden their business horizons and explore new opportunities.

Additionally, Changshu Rural Commercial Bank has entered into agreements with universities to foster industry-university-research cooperation. This initiative promotes the coordinated development of higher education and industrial innovation, enhancing the integration of knowledge and practical application while injecting fresh innovative energy into the institution.

Achievements of Industry-University-Research Cooperation at Changshu Rural Commercial Bank

In collaboration with Alibaba Cloud, we promote Tongyi Lingma, which boasts an impressive R&D penetration rate of over 80%. This significantly enhances code writing efficiency.

We have also partnered with Huawei to create a HarmonyOS development team, successfully launching the HarmonyOS version of our app. This initiative accelerates the integration of financial services within the ecosystem of domestic operating systems.

We have established a partnership with Soochow University, setting up a post-doctoral innovation practice base that facilitates talent exchange and scientific research collaboration.

We signed an agreement with the Post-doctoral Research Station of Applied Economics at Fudan University to advance a joint post-doctoral training project, continuously nurturing high-end talent for the fintech sector.



Information Security

The information security of banks plays a crucial role in safeguarding national financial security. Changshu Rural Commercial Bank places a high priority on building a robust information security framework. The Bank has established comprehensive management systems to enhance information security practices, ensuring the integrity and accuracy of data. Through these measures, they aim to mitigate the risks of system interruptions and foster sustainable development.

Data Security Management

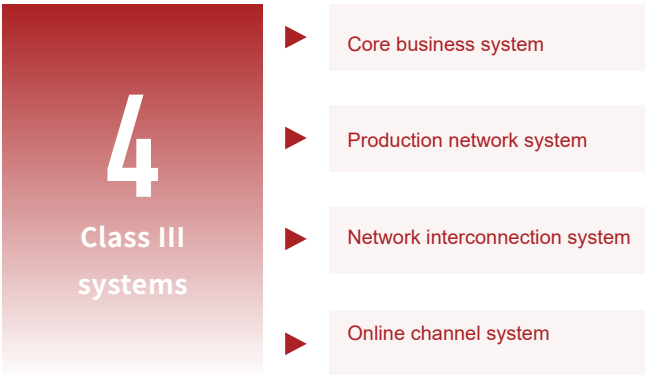
Changshu Rural Commercial Bank has established a dedicated information security management organization that clearly delineates responsibilities within its security framework. Guided by the Information Security Management Guidelines, the Bank effectively defends against external threats, safeguards against internal errors and violations, and ensures the uninterrupted continuity of its financial operations.



Information Security Management System Certification

In 2024, Changshu Rural Commercial Bank conducted a procurement process for a new round of certification services for its information security management system. The goals include maintaining the Class III systems annually and conducting assessments of the Class II systems every two years.

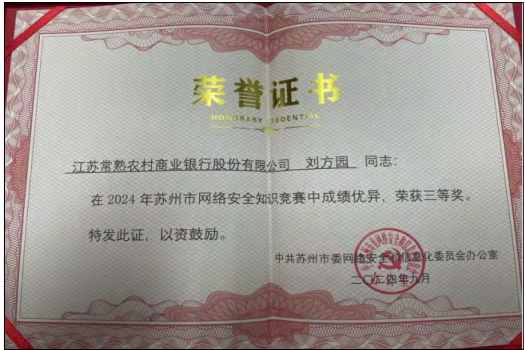
By December 2024, the Bank successfully certified and filed four Class III systems—namely, the core business system, production network system, network interconnection system, and online channel system. Additionally, five Class II systems—the product management system, basic support system, offline channel system, payment and settlement system, and portal website system—have also been certified and filed.



Outstanding Award at the 2nd Jiangsu Vocational Skills Competition on Data Security Technology Application (2024)



Outstanding Award at the 2024 Jiangsu Vocational Skills Competition on Information Security Industry



Third Prize at the 2024 Suzhou Cybersecurity Knowledge Competition





# Section 2

## Environment Commitment Advances A Beautiful Homeland

Changshu Rural Commercial Bank is dedicated to building a beautiful homeland through transformative practices. Aligned with the national strategy for achieving carbon neutrality and peak carbon emissions, the Bank is steadily promoting a green and low-carbon transition. It continually enhances its governance framework for green finance, addresses climate change, and seizes opportunities for low-carbon development. The bank is focused on constructing a sustainable financial service system that supports environmental stewardship. By leveraging its financial resources, it empowers the growth of green industries and takes an active role in fulfilling its environmental and social responsibilities. This includes strengthening the identification of environmental and social risks, widely implementing green and low-carbon operational practices, and rigorously exploring viable sustainable development models. Through these efforts, Changshu Rural Commercial Bank aims to provide valuable examples and insights for advancing green finance in the region.



### Performance Highlights in 2024

Green credit balance

**2.739** Billion RMB

YoY change of green credit balance

**4.26** %

Balance of green bonds holdings

**1.422** Billion RMB

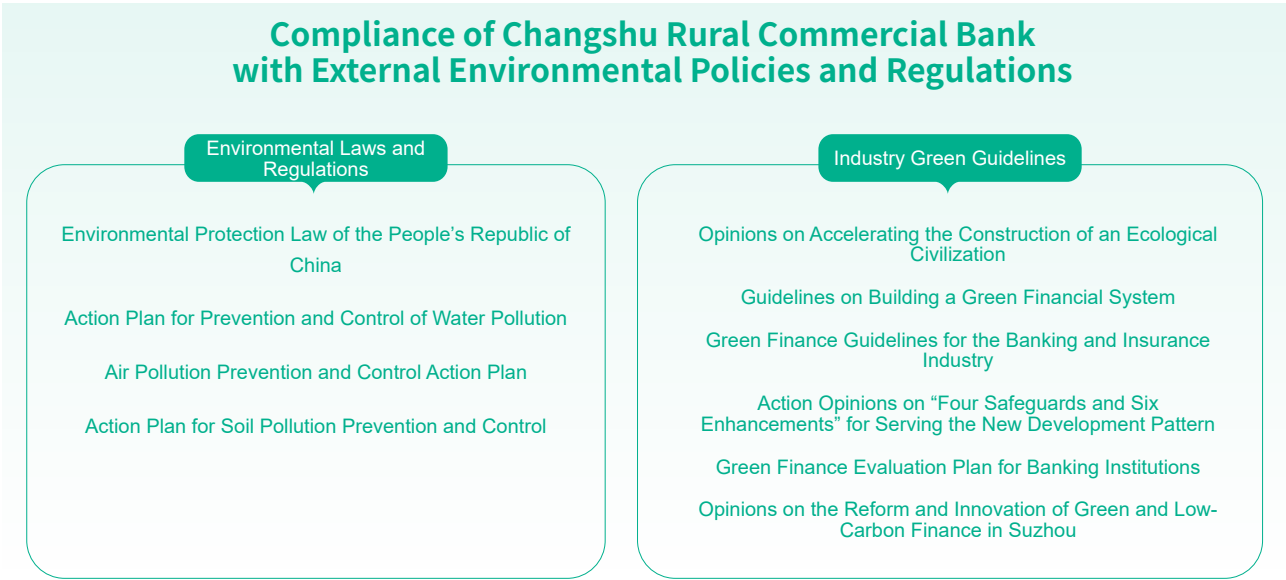
### Responses to UN SDGs





## Optimizing the System to Reduce Emissions and Increase Efficiency

Changshu Rural Commercial Bank has proactively embraced the national call for green, low-carbon, and high-quality development outlined in the 14th Five-Year Plan. The Bank strictly adheres to environmental laws and regulations and implements the green development guidelines established for the banking sector. By leveraging its financial strengths, credit advantages, and information products, the bank actively fulfills its social responsibilities. The Bank provides loan support for projects focused on energy conservation, emission reduction, and urban infrastructure development, aiming to generate positive social and economic outcomes. This approach seeks to create a win-win scenario for the Bank, the government, and enterprises alike.



The Bank is dedicated to establishing and enhancing its internal environmental management policies. At the strategic planning level, we are committed to advancing green finance and promoting sustainable development. Additionally, we have implemented comprehensive regulations for the development of green finance to bolster financial support for industries focused on achieving carbon peak and carbon neutrality.

Overview of Changshu Rural Commercial Bank’ s Internal Environmental System (Excerpt)	
Document Type	Document Name
Green Finance Strategy	Green Finance Development Strategy (2020 - 2025)
Green Finance Department Policies	Internal Control Management Guidelines for the Green and Low-Carbon Transformation Financial Service
	Credit Management Policy the Green and Low-Carbon Transformation Financial Service Center
	Performance Evaluation Framework for the Green and Low-Carbon Transformation Financial Service Center
Green Finance Implementation Rules	Guidelines for the Classification of Financial Asset Risks (Trial Version)
Operation Rules for Green Finance Products	Operational Procedures for the 'Environmental Protection Loan' Program
	Operational Procedures for the 'Jiangsu Carbon Financing' Program

## Low-Carbon Actions in Response to Change

### Climate-related Governance

Changshu Rural Commercial Bank has prioritized climate issues at the Board of Directors' level. Both the Board and its Strategy and Rural Finance Committee are responsible for strategic decision-making related to the Bank’s sustainable development, including initiatives to combat climate change. This approach enhances the identification and management of climate-related impacts, risks, and opportunities.

### Climate-related Strategies

Changshu Rural Commercial Bank is taking proactive measures to align with the “dual carbon” policy. Utilizing the climate change information disclosure framework established by the Task Force on Climate-related Financial Disclosures (TCFD), the Bank assesses the potential risks and opportunities associated with climate change throughout its operations. By tailoring its approach to the bank’s unique characteristics, it effectively implements targeted strategies for risk management and opportunity optimization.

### Climate Risk Analysis by Changshu Rural Commercial Bank

Risk type	Risk factor	Risk description	Impact time-frame	Impact level
Physical risk	Acute	The manufacturing sector constitutes a significant portion of our credit assets, ranking among the highest in this regard. This is largely due to our support for advanced production and processing techniques, as well as the utilization of power equipment.  However, extreme weather events, such as heavy rains and flooding, can jeopardize the functionality of production sites and compromise the safety and stability of process equipment. Such disruptions may lead to severe consequences for normal operations, including production halts and work stoppages, which could result in considerable financial losses. Furthermore, these conditions can also impact the smooth functioning of various branches and business units within the bank, ultimately leading to operational setbacks.	Medium and short term	Low
	Chronic	Suzhou’s landscape is largely low and flat, interspersed with numerous rivers and lakes. Rising temperatures and sea levels have the potential to inflict severe operational losses on infrastructure, as well as on industrial and residential buildings, and agricultural activities in the vicinity of these water bodies. The ripple effects of these changes could significantly undermine the financial performance of businesses connected to these sectors.	Long term	Low
Transformation risk	Regulations and policies	China has explicitly outlined its dual carbon goals of reaching peak carbon emissions and achieving carbon neutrality. As a result, climate and environmental management policies are becoming increasingly stringent. Additionally, as the carbon trading market continues to evolve and become more accessible, a rising price for carbon emission allowances could significantly affect the production and operations of high-emission clients in sectors such as textiles, rubber and plastics, and automotive manufacturing.	Middle to long term	High
	Technology	The promotion and implementation of environmentally friendly technologies—such as renewable energy, energy efficiency improvements, and emissions reduction—have created new market opportunities for the Bank.  Additionally, the digital transformation driven by fintech has opened doors for product optimization and service innovation, allowing us to better serve our customers and stay competitive in a rapidly evolving landscape.	Middle to long term	Medium
	Market	The growing emphasis on global responsible investment and local sustainable development policies, along with the heightened focus on ESG issues from all market participants, is reshaping the preferences of consumers and investors alike.	Middle to long term	Medium
	Reputation	The concepts of environmental sustainability, eco-friendliness, and sustainable development have steadily gained traction among the general public. Stakeholders are growing increasingly concerned about the adverse effects associated with a company’s environmental practices and climate impact. As a result, consumer preferences are shifting. Businesses that fail to prioritize environmental performance risk damaging their reputations, which can profoundly affect not only the companies themselves but also the banks that partner with them.	Long term	Medium





Management of Climate-related Impacts, Risks, and Opportunities

Changshu Rural Commercial Bank recognizes the profound impact that structural changes in economic and financial systems due to climate change can have. To address this, the Bank is committed to enhancing its capabilities in identifying, measuring, monitoring, and providing warnings about environmental risks. By systematically integrating these risks into its comprehensive risk management framework, the Bank prepares for potential financial challenges posed by climate change. This approach aims to mitigate the interplay between environmental and financial risks, ultimately helping to prevent the emergence of a systemic financial crisis.

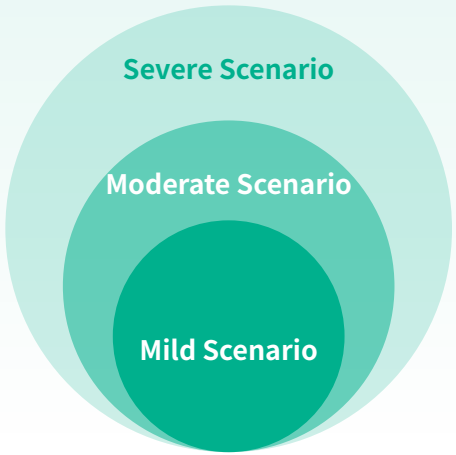
Climate Risk Response Measures of Changshu Rural Commercial Bank

Risk type	Risk factor	Risk mitigation measures
Physical risk	Acute	We remain vigilant about the occurrence of geological natural disasters during project construction, including projects within the manufacturing sector. We work to safeguard against risks that these events may pose to borrowers' ability to repay, thereby minimizing potential threats to the security of related businesses. Additionally, we are committed to strengthening our green office initiatives, enhancing our natural disaster early warning and prevention systems, and implementing regular emergency drills to ensure preparedness.
	Chronic	We are proactively engaged in stress testing for climate and environmental risks, systematically integrating these risk factors into our quantitative models. Based on the insights gained from this analysis, we take timely action to implement effective risk prevention and control measures.
Transformation risk	Regulations and policies	We enforce a "veto" system for environmental protection and strengthens the integration of environmental protection labels into our operations. Through our risk early warning system and post-loan management practices, we effectively monitor and manage high-energy consumption and high-emission clients. Simultaneously, we are focused on optimizing the green composition of our asset portfolio and increasing support for high-quality industries that prioritize low energy consumption and low emissions.
	Technology	We closely monitor the carbon emissions, reduction efforts, and energy-saving transformations of our investment and financing projects. We are committed to thoroughly assessing the energy-saving and emission-reduction impacts of our customers' operations. Moving forward, aligned with relevant policies both within and outside the Bank, we will enhance our support for the low-carbon transformation initiatives of high-quality and promising clients. In addition, we will conduct comprehensive market analyses to strategically position ourselves in the digital transformation space. Our approach will ensure that our upgrades are closely aligned with business needs while effectively managing the risks associated with potential misalignment in technical investments.
	Market	We will progressively enhance asset allocation in alignment with our green finance development strategy. We aim to increase the focus on green finance topics in our long-term communication with investors and to comprehensively develop products and services that are climate and environmentally friendly.
	Reputation	We are committed to implementing key initiatives in line with our green finance strategy. We will continually enhance our performance in green finance and sustainable office operations while strengthening our guidance for customers in these areas. Additionally, we will disclose information to the public and the market through environmental reporting to build a positive reputation and boost public trust.

Furthermore, we will conduct sensitivity analyses of environmental factors affecting industries particularly vulnerable to environmental risks, such as the chemical, printing and dyeing, and non-metallic mineral sectors. We will assess the impact of energy conservation and emission reduction policies, as well as compliance with environmental standards, on customers rated as normal or under observation. Under mild, moderate, and severe scenarios, we anticipate that their internal credit ratings could drop by 2, 3, and 4 levels, respectively. we will assess the impact on the quality of our bank's credit assets under three different scenarios and use these evaluation results to guide our credit approval processes, credit policies, limit settings, post-loan monitoring, and risk reporting.

Based on the findings from the sensitivity analysis, we have consistently prioritized the allocation of credit resources towards industries and enterprises that demonstrate low energy consumption, low pollution, and low emissions. As a result, the portion of our credit assets that are particularly vulnerable to environmental factors is relatively small. Even in extreme cases, the anticipated increase in default risk remains largely manageable.

Quantitative Climate Risk Analysis by Changshu Rural Commercial Bank



Sensitivity Analysis of Environmental Factors:

The Bank strategically targets enterprises within industries that exhibit heightened sensitivity to environmental risks, including chemicals, printing and dyeing, and non-metallic mineral products.

Internal Credit Rating Downgrade:

It is assumed that customers classified as either normal or concern within the five-level classification system are susceptible to various influences stemming from energy conservation and emission reduction policies, as well as their ability to meet environmental assessment standards. Under mild, moderate, and severe scenarios, it is anticipated that their internal credit ratings will experience declines of 2, 3, and 4 levels, respectively.

Result Application:

We evaluate the impact on the quality of the Bank's credit assets across these three scenarios. The findings are instrumental in informing our credit approval processes, guiding the formulation of credit policies, establishing limits, conducting post-loan monitoring, and enhancing our risk reporting mechanisms.

At the same time, we conduct thorough analyses and assessments of the opportunities for green and low-carbon development in the context of climate change, tailored to our unique developmental characteristics. We are committed to driving product innovation and expanding our portfolio of green finance offerings. As we navigate the transition to a more sustainable and low-carbon economy, we strategically capitalize on opportunities for differentiated competition and sustainable development. This proactive approach lays a strong foundation for our bank to effectively respond to climate change and achieve long-term sustainability.

Climate Opportunity Management Measures of Changshu Rural Commercial Bank

Opportunity type	Opportunity factor	Management measures
Product and service opportunities	As a key aspect of national strategic emerging industries, the green sector has given rise to diverse and tailored financial needs among its enterprises. By consistently and steadily promoting the innovation of green finance products, we can enhance the adaptability of our corporate financial service system and improve our service capabilities in alignment with national development strategies.	To effectively address the agriculture, rural areas, and farmers as well as the needs of small and micro businesses, we must enhance the innovation of green credit products. This involves conducting thorough market research and timely developing and introducing a range of standardized loan financing models and low-carbon financial products. Additionally, we should continuously strengthen our support for technological advancements to provide convenient financial services for environmentally conscious clients. By embedding green financial services more comprehensively into our offerings, we can better meet the financing needs of the green sector and provide impactful support.
Market opportunities	The development of the carbon market and the increasing financial attributes of carbon trading present significant opportunities for innovating our credit products. By creating carbon finance offerings, we can establish a distinct competitive advantage and better align with the growing trend toward green and low-carbon transformation.	We should diligently research the policies governing the carbon market and carbon finance. Leverage our valuable research and customer resources, we can analyze and assess the evolving trends in carbon finance, proactively developing a range of carbon finance products.

Climate-related Indicators and Objectives

The Bank considers greenhouse gas emissions a key indicator for managing climate change. In line with the banking industry's operational characteristics, the Bank's greenhouse gas emissions are categorized into three scopes: direct emissions from operational processes (Scope 1), indirect emissions from energy consumption (Scope 2), and other indirect emissions resulting from investment and financing activities (Scope 3).

The Bank primarily focuses on tracking and managing emissions within Scope 1 and Scope 2. For detailed information on emissions and management strategies for 2024, please refer to the Green Concept, Operation First section.



## Green Finance for Deeper and Broader Development

### Construction of the Green Finance System

#### Green Finance Strategy

Changshu Rural Commercial Bank is committed to enhancing its green finance strategy. To this end, it has implemented the Green Finance Development Strategy (2020-2025), which serves as a guiding framework for the entire organization. The Bank provides loan support for projects focused on energy conservation, emission reduction, and urban infrastructure development. In alignment with its green credit development strategy, the Bank prioritizes three key objectives: mitigating environmental and social risks, accelerating the growth of green business initiatives, and strengthening its commitment to social responsibility. These efforts not only bolster the bank's green finance initiatives but also seamlessly integrate the principles of environmental sustainability and green development into all aspects of its operations and management.

Additionally, the Bank has established a comprehensive green credit policy and management system, anchored by "one policy" and reinforced through "four mechanisms". This framework ensures stringent oversight of credit investments in high-pollution and surplus industries, allowing the Bank to sustain a healthy growth trajectory in its green credit initiatives year after year. In the next phase, Changshu Rural Commercial Bank will enhance its support for green businesses by ensuring a steady flow of financing and establishing a robust green and low-carbon financial service system that fosters sustainable development.

#### Green Credit Policies and Management System

One policy refers to green credit policy

Four mechanisms refers to approve mechanism, assessment mechanism, due diligence exemption mechanism and individuation mechanism.

#### Three Tasks for Green Credit Strategic Developmen

01.Prevent Environmental and Social Risks

02.Accelerate the Development of Green Business

03.Enhance Corporate Social Responsibility Performance

#### Board

Changshu Rural Commercial Bank integrates relevant aspects of ESG management into the operational guidelines of its Strategy and Rural Finance Committee, which operates under the Board of Directors. This integration enhances the standardization of social responsibility management and continually elevates the Bank's ESG governance levels and capabilities. The Board of Directors, along with the Strategy and Rural Finance Committee, reviews key documents such as the Green Finance Development Strategy (2020-2025) and the Strategic Development Plan (2024-2026). They actively assume responsibilities for strategic decision-making related to the bank's sustainable development initiatives, including efforts to address climate change.

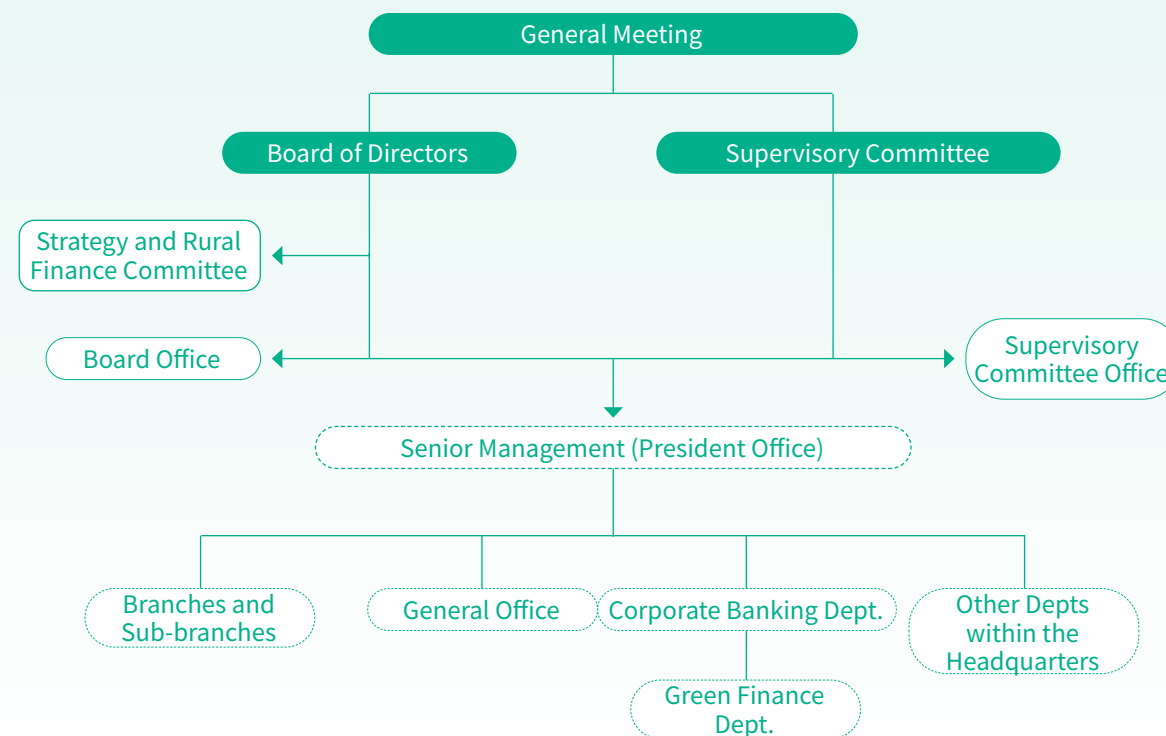
#### Departments

The Bank is committed to responding proactively to the regulatory authorities' call for legal institutions to establish dedicated green finance divisions. We view green finance as a crucial element in serving the real economy and fulfilling our social responsibilities, leveraging finance to effectively support sustainable development. To enhance the quality and efficiency of our green finance initiatives, we have established a dedicated Green Finance Department within the Corporate Banking Division.

#### Green Finance Governance

Changshu Rural Commercial Bank is proactively establishing a green finance governance system and implementing a vertical management structure dedicated to green finance. Responsibilities for managing green finance are clearly defined at every level, from the Board of Directors to senior management and specialized departments. This approach ensures that sustainability issues, including climate change, are effectively integrated into the Bank's comprehensive governance framework.

#### Organizational Structure for Green Finance of Changshu Rural Commercial Bank



#### Key Responsibilities of the Green Finance Department at Changshu Rural Commercial Bank

##### Strategy Formulation

Dedicated to the comprehensive development of green finance initiatives across the Bank.

##### Target Breakdown

Formulate an annual promotion plan, complete with clearly defined targets for green credit.

##### Performance Evaluation

Set specific evaluation indicators for green credit, and facilitate regular assessments of our performance.

##### Green Innovation

Take the lead in exploring and innovating within the realm of green finance, including but not limited to green products, green investments, green bonds, and green trusts.

##### Green Development

Lead in researching and analyzing the green finance business across the Bank, systematically collecting and studying market demands as well as the developments of our peers within the field of green finance.

##### Green Finance Talent

Oversee the building and management of a specialized talent team focused on green finance initiatives across the Bank, including developing targeted talent cultivation and business training plans.





## Credit Granting Performance of Changshu Rural Commercial Bank

Business credit approvals

163,281

Share of credit to small and micro businesses

85.73 %

Credit amount to small and micro businesses

19,802,415 10k RMB

Green credit transactions

204

Green credit amount

334,179 10k RMB

## Green Investing and Financing Management

### Institutional Development

Changshu Rural Commercial Bank is dedicated to establishing and enhancing its environmental and social risk management system. We have issued the Guiding Opinions on Credit Granting to align with our commitment to green finance principles. This involves the strategic allocation of credit resources and the integration of environmental, social, and governance criteria throughout the credit granting process. We are committed to implementing the “veto” system that prohibits funding for businesses that fail to meet environmental protection and workplace safety standards. Specifically, we will not approve credit for any new businesses with an environmental protection rating of black or red. Furthermore, we will refrain from accepting new clients with significant violations in environmental protection, quality, technology, or safety that have not yet been rectified. For businesses with an environmental protection rating of yellow, we enhance risk monitoring and promptly adjust credit limits based on their risk profile.

### Access Guidelines for Corporate Loan Customers of Changshu Rural Commercial Bank



#### We develop a plan to minimize and withdraw as quickly as possible.

Businesses with an environmental protection rating of black or red; businesses that have committed significant violations of environmental and safety laws and regulations; businesses that require close monitoring in areas such as energy conservation, water conservation, emissions reduction, environmental protection, and safety.



#### We enhance risk monitoring and promptly adjust credit limits based on their risk profile.

Businesses with an environmental protection rating of yellow.

In addition, we are committed to enhancing the institutional framework to boost service efficiency for our green credit customers. We have implemented a “green channel” approval system and a “fast track” loan review process, ensuring expedited credit approvals for businesses and customers that adhere to the principles of sustainability, low-carbon initiatives, and the circular economy. This streamlined approach simplifies and accelerates the credit review process.

### Support Mechanism for Green Credit Customers

#### Green Channel

For projects and customers that meet our criteria, we implement measures such as parallel operations between approval personnel and account managers, as well as expedited loan reviews. We have established a business management model that integrates front office marketing efforts with mid office credit approval processes to enhance our support for these customers.

#### Fast Track

We simplify the documents necessary for credit granting for high-quality green finance projects and streamline the credit approval process. By using a tiered and categorized approach to credit granting, we enhance approval efficiency. For green credit requests under 15 million RMB, approvals can be completed within 1.5 working days, while requests over 15 million RMB can be finalized within 5 working days.

### Progress

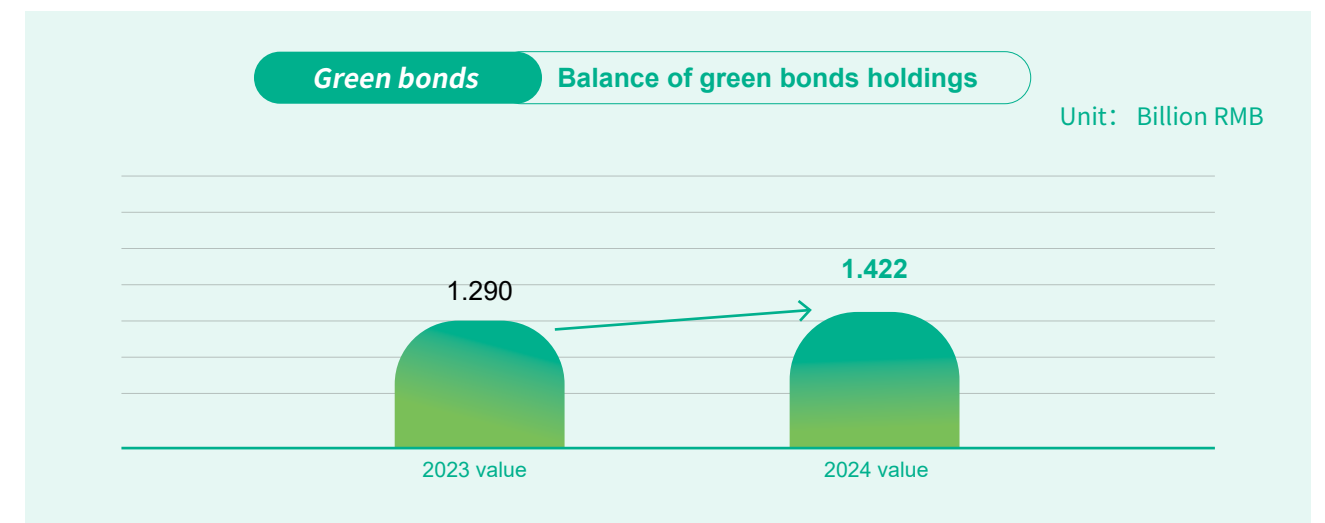
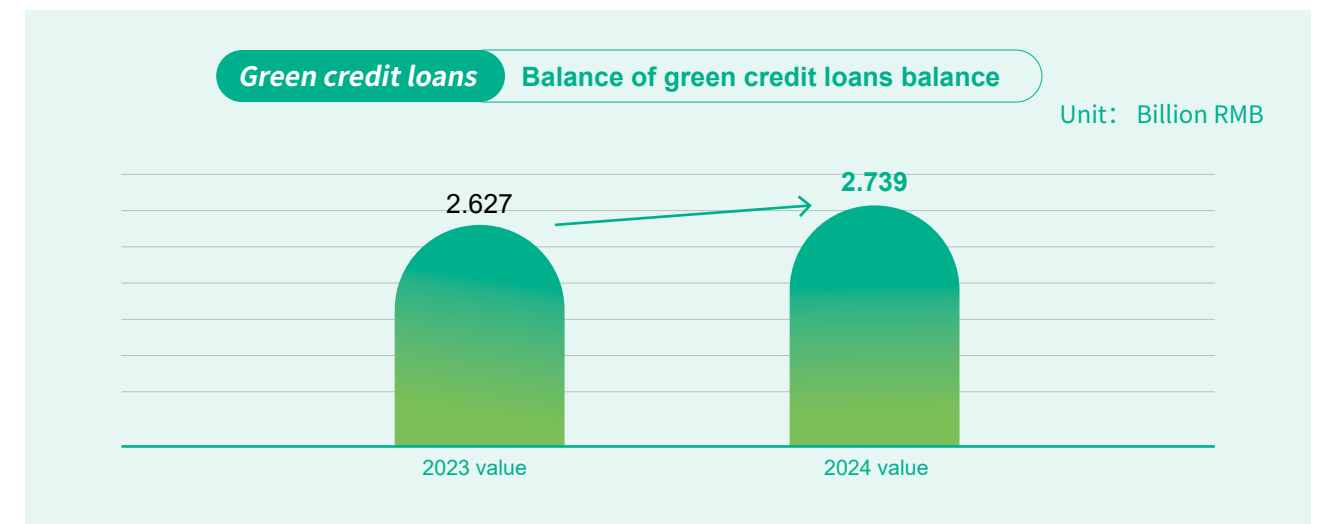
Supporting the growth of the green industry and fostering a low-carbon, sustainable transformation is central to our mission. At Changshu Rural Commercial Bank, we seamlessly integrate green finance with our commitment to social responsibility and long-term sustainability, actively promoting green investments and financing solutions to empower industrial development.

By the end of 2024, the Bank's green credit portfolio had reached 2.739 billion RMB, representing a year-on-year growth of 4.26%. We served a total of 3,277 green loan customers. In addition to successfully advancing our green finance initiatives, we have also seen a continuous emergence of environmental and social benefits.

In 2024 alone, our green loans were allocated across six categories of green industries, with the following proportions: infrastructure green upgrading (41.45%), energy conservation and environmental protection (37.63%), ecological environment (8.08%), clean energy (6.84%), clean production (5.18%), and green services (0.81%).

Simultaneously, we have been methodically increasing its green bond investments. In 2024, we added five new green bond investments, totaling 212 million RMB. By the end of that year, our green bond investment balance reached 1.422 billion RMB.

## Green Investing and Financing Performance of Changshu Rural Commercial Bank





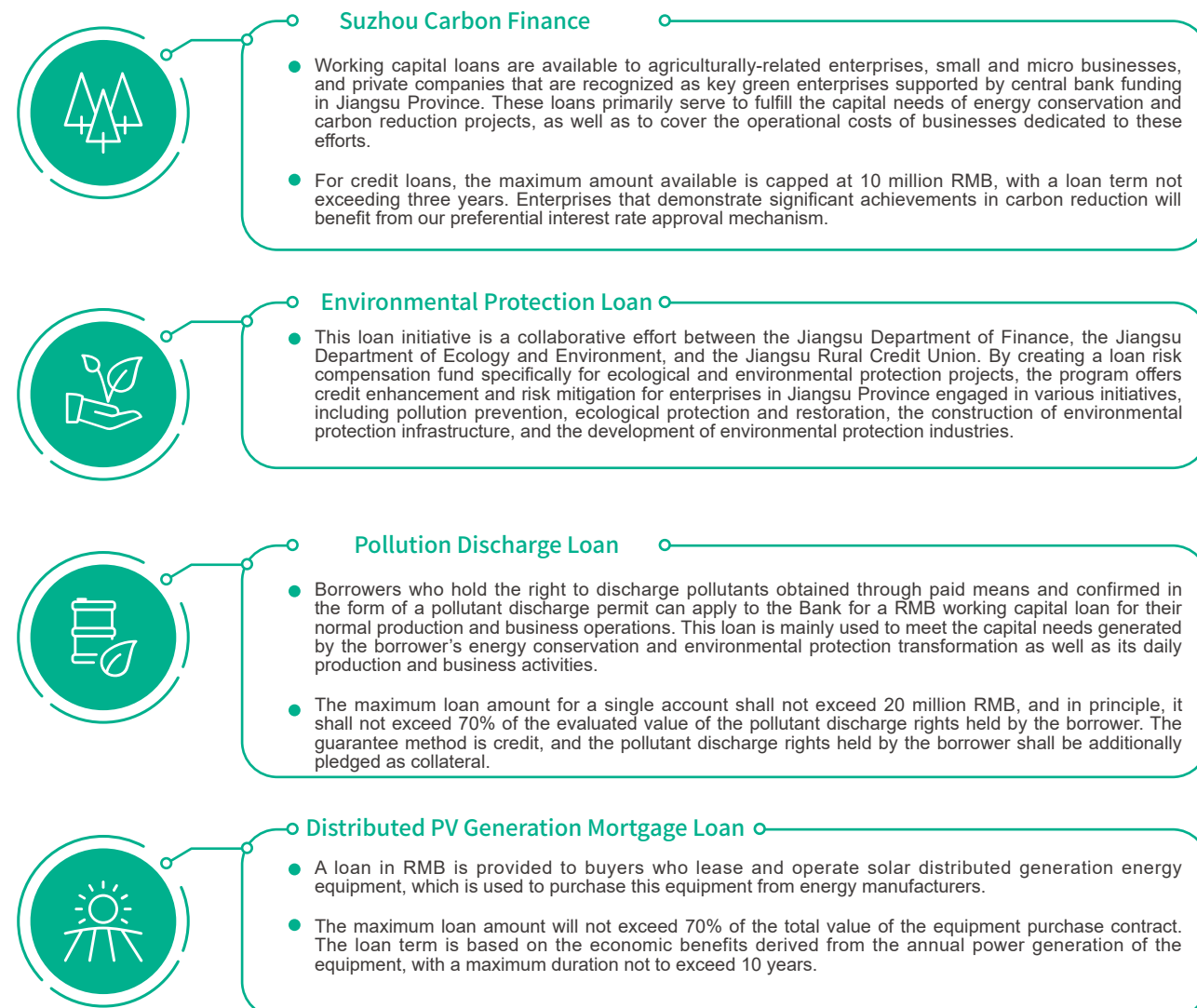
## Green Finance Product Innovation

Changshu Rural Commercial Bank actively leverages its finance and resource strengths to enhance its green finance product offerings. By continuously expanding its green credit support, the Bank is broadening financing channels for local enterprises, enabling them to pursue energy conservation and emission reduction initiatives effectively. This commitment not only fosters the growth of local clean energy and environmental protection industries but also facilitates a structured transition toward low-carbon practices from an industry support perspective. In doing so, the Bank plays a vital role in Suzhou's efforts to achieve carbon peak and carbon neutrality.

Furthermore, we proactively collaborate with authorities in ecological protection, agriculture, energy, water resources, and transportation. We actively engage in initiatives like the Golden Ring Dialogue to stay informed about relevant projects, engineering plans, and the action items tied to the local green development agenda. Our credit resources are strategically directed toward industries and enterprises that prioritize low energy consumption, minimal resource use, reduced pollution, and lower emissions.

By the end of 2024, we have established a comprehensive green finance product matrix. With a focus on meeting the green financing needs of businesses, we have launched a series of standardized loan financing models and low-carbon financial products. Notable offerings include the Suzhou Carbon Finance, Distributed PV Generation Mortgage Loan, Environmental Protection Loan, and Pollution Discharge Loan. These innovative products have transformed aspects such as loan targets, collateral methods, loan purposes, and approval processes. Through these initiatives, we have gained valuable practical experience that will inform the continual evolution of our green finance products and services. This foundational work sets the stage for sustainable growth and innovation in the future.

## Representative Green Finance Innovation Products of Changshu Rural Commercial Bank



## Green Concept, Operation First

### Resource Consumption and Waste Management in Operations

Changshu Rural Commercial Bank is committed to continuously monitoring resource usage and waste generation throughout its operational processes. To mitigate the impact on the environment, we implement a range of strategies aimed at minimizing resource consumption and waste production. In 2024, the primary energy resources utilized in our operations included gasoline, electricity, water, and paper.

In our operation process in 2024, the consumption of gasoline from the bank's own vehicles was 362,562.05 liters, natural gas 82,133.64 cubic meters, purchased electricity 43,402,641.36 kWh, the total annual GHG emissions (scope 1 and scope 2) 25,184.54 tCO<sub>2</sub>e and the annual comprehensive energy consumption was 5,823.41 tce.

### Impact on Environment of Business Activities of Changshu Rural Commercial Bank

Indicator	Unit	2022 value	2023 value	2024 value
Total water consumption	Ton	198,170.00	191,842.00	206,948.78
Consumption of gasoline from the bank's own vehicles	L	309,567.59	356,603.10	362,562.05
Consumption of natural gas	Cubic meter	73,999.73	85,318.00	82,133.64
Consumption of purchased electricity	kWh	33,389,605.00	36,626,419.00	43,402,641.36
Annual GHG emissions (scope 1+scope 2)	tCO <sub>2</sub> e	24,328.39	26,733.10	25,184.54
Annual comprehensive energy consumption	tce	4,534.51	4,997.89	5,823.41

Note: The number of newly increased outlets of the Bank was 2 and the village bank was 20.

## Green Operation Initiatives

### Carbon Reduction and Energy Conservation

Changshu Rural Commercial Bank is committed to enhancing its environmental initiatives and has been exploring innovative approaches to create a green, low-carbon, and collaborative office model. Leveraging financial technology, the Bank is continually expanding its paperless counter services and actively promoting the online delivery of services and management, leading to a fully paperless office environment. In 2024, we successfully reduced paper usage by 61 tons, which is approximately equivalent to a reduction of 90 tons of carbon dioxide emissions.

At the same time, we effectively reduce carbon emissions in our office operations through energy conservation renovations and management measures. We systematically promote energy-saving renovations, including upgrades to our building's air conditioning system, overhauls of our data center infrastructure, and improvements to our lighting systems. These efforts have enabled us to achieve more precise automatic control of our air conditioning units. Additionally, we continuously display awareness-raising signs in our offices and cafeterias, encouraging everyone to turn off lights when leaving and to save water and electricity.



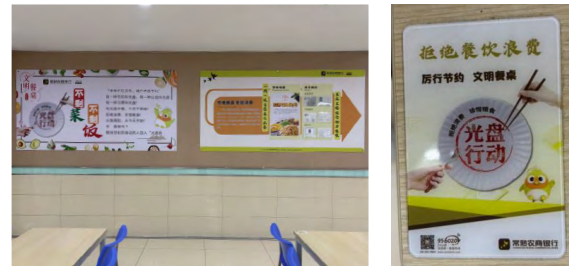
Water and Electricity Conservation Logos of Changshu Rural Commercial Bank





## Food Conservation

We actively promote and embody the cultural principle of embracing the grand concept of food and ensuring food security. We foster an environment that values thriftiness, opposes waste, and encourages a love for grain conservation. To support this initiative, we rigorously maintain a daily kitchen waste log and monitor food waste trends through monthly aggregated data. Additionally, we ensure that our handling of kitchen waste complies with local regulations.



Food Conservation Initiatives at Changshu Rural Commercial Bank

## Green Initiatives for Public Welfare

In pursuit of low-carbon development throughout our operations, the Bank actively engages in green public welfare initiatives. By doing so, Changshu Rural Commercial Bank contributes to the sustainable growth of both the community and society as a whole.



### Case The Environmental Guardians from Changshu Rural Commercial Bank

Hong Haibo, a driver at Changshu Rural Commercial Bank, has garnered significant attention on social media through his short video account “A Little Spinach” dedicated to environmental protection, his account features engaging footage of garbage collection during plogging—jogging while picking up litter—as well as relatable and interactive moments from his efforts. His videos inspire viewers to appreciate the natural environment and take action to protect our beautiful homeland. As a result of his commitment to green public welfare initiatives, Hong has received a growing number of likes and accolades. He has been awarded with an Advanced Individual in Corporate Culture and Happy Running Enthusiast.



### Case Tree Planting Event

In March 2024, Changshu Rural Commercial Bank organized a tree planting event titled Spring is in the Air: A Celebration of Tree Planting Day. The initiative attracted participation from over 30 employee families, who came together to actively engage in environmental stewardship. This hands-on event not only encouraged employees to embrace the principles of environmental protection, but also planted the “seeds” of green development in the hearts of their children. Through this, the Bank promoted a culture of sustainability and low-carbon living within the community, reinforcing its commitment to fostering a greener future for all.



### Case Changshu Rural Commercial Bank's Weekly Garbage Picking Volunteer Initiative

Changshu Rural Commercial Bank has launched a weekly volunteer initiative where employees gather to clean up Xinshiji Avenue. This effort not only beautifies the city and enhances the local living environment but also fosters teamwork and cultivates a sense of individual responsibility among employees. By actively engaging in this public welfare activity, the Bank demonstrates its commitment to social responsibility and environmental stewardship. Moreover, this initiative aims to inspire community involvement, encouraging more people to participate in protecting the environment and collectively advancing the cause of sustainability.



zero-carbon outlets

11

photovoltaic power

429,169 MWh

result in cost savings

21.45 10k RMB

reduction of approximately  
dioxide emissions

373.37 tons

## Green Outlets

Changshu Rural Commercial Bank is actively responding to the national strategies of carbon neutrality and carbon peaking with a vision to build an eco-friendly banking institution. We are committed to innovative practices by establishing zero-carbon branches and embracing our responsibility to create a conservation-oriented society through the sustainable operation of our outlets.

During the renovation of our outlets, we prioritize the use of environmentally friendly materials, such as eco-friendly paints, to minimize the risk of indoor air pollution. Once the renovations are complete, a professional third-party inspection company conducts air quality assessments and provides an official report, ensuring a healthy environment for both employees and customers.

In our ongoing operations, we continuously enhance the efficiency, sustainability, and low-carbon footprint of our branches. Through various initiatives—such as adopting clean energy, optimizing our energy structure, and promoting energy-saving technologies—we are paving the way for a digital and environmentally conscious approach to banking.

By the end of 2024, we operated a total of 11 zero-carbon outlets. These locations generated approximately 429,169 MWh of photovoltaic power, resulting in cost savings of around 214,500 RMB and a reduction of approximately 373.37 tons of carbon dioxide emissions. In addition to delivering significant economic and environmental benefits, this initiative provides a replicable and scalable model for the green transformation of our branches.



Photovoltaic Panels on the Roofs of Changshu Rural Commercial Bank's Outlets

## Overview of Photovoltaic Power Generation Projects at Changshu Rural Commercial Bank

We launched photovoltaic power generation pilot projects at the Fushan Xiaoqiao Sub-branch and the Wangzhuang Yingyangqiao Sub-branch.

2022

We installed photovoltaic systems on the rooftops of six properties: the Zhouxing Sub-branch, the Zhaoshi Sub-branch, the Xushi Sub-branch, the Shanghu Sub-branch, the Dayi Sub-branch, and the Mocheng Archive Building.

2023

Projects are underway at the Haiyu Sub-branch, the Baimao Sub-branch, and the Guli Sub-branch. The installations have been completed, and we are currently awaiting grid connection to initiate power generation.

2024





# Section 3



## Embracing Responsibility to Expand Development Opportunities and Foster Growth

Changshu Rural Commercial Bank is dedicated to advancing inclusive finance, striving to ensure that diverse groups have access to convenient and efficient financial services. We continuously innovate our service models and financial offerings for small and micro businesses by establishing a robust credit system, streamlining service processes, and broadening our service channels. Through these proactive measures, the Bank exemplifies the responsibility and commitment of a finance enterprise, making a meaningful contribution to rural revitalization and local prosperity. Together, we are making significant strides toward a brighter future of shared prosperity.



### Performance Highlights in 2024

Customer satisfaction

98.02 %

Complaints resolution rate

100 %

Total investment in the purchase of domestically produced products

2,391 10k RMB

### Responses to UN SDGs







## Empowering Through Finance: Fostering Prosperity in the Real Economy

### Services for Broader Engagement

Changshu Rural Commercial Bank is dedicated to establishing a premier demonstration base for digital currency in the cultural tourism sector. To enhance the ticket purchasing experience at the popular tourist destinations of Shajiabang and Jiangxiangcun, the Bank has integrated digital currency receipt functionality for ticket sales, amusement areas, and local merchants. Visitors can take advantage of digital currency self-service ticket vending machines, and the Bank has extended digital currency receipt capabilities to nearby hotels and specialty shops. Furthermore, the Bank supports the reservation and application services for digital currency hard wallets. To improve user experience, some POS machines have been upgraded to facilitate tap-to-pay functionality for hard wallets. This enhancement greatly optimizes the digital currency experience for diverse groups, including foreign visitors and the elderly.

The Bank has established nine foreign currency cash service outlets in Suzhou to facilitate the free exchange of six major foreign currencies, catering to the needs of foreign nationals. Each outlet is equipped with advanced facilities and features bilingual signage to enhance accessibility, offering professional English services for customers. The International Business Department has formed a foreign language service team, while the Operations Management Department regularly conducts training sessions on foreign currency anti-counterfeiting measures to ensure professionalism and security in foreign currency cash services.



Automatic Ticket Vending Machine  
Supporting Foreign Currency and Digital  
Currency Payments

### Service Measures for Foreign Nationals by Changshu Rural Commercial Bank



#### Comprehensive Outlet Configuration

The Bank has established nine outlets with foreign currency cash feature in Suzhou, including one in the urban area of Changshu and eight in the central towns of Changshu. These outlets facilitate the free exchange of six major foreign currencies, such as the US Dollar (USD), Euro (EUR), and British Pound (GBP), effectively meeting the basic needs of foreign nationals. All foreign currency exchange outlets prominently display currency exchange signage and service hours. They are also equipped with the necessary hardware to ensure smooth operations. Bilingual signage is available for business hours, service suspension notices, and other important indicators, ensuring that our outlets are well-equipped and clearly marked for efficient foreign exchange services.



#### Adequate Staffing

Each branch is staffed with employees trained to provide English-language services. All tellers and operations supervisors at our foreign exchange outlets are skilled in handling individual cash deposits, withdrawals, and foreign currency exchange transactions. To address challenges such as high teller turnover and varying levels of proficiency in foreign exchange operations, our International Business Department has established a foreign language service team. This team is dedicated to providing comprehensive and high-quality support to ensure a seamless customer experience.



#### Comprehensive Business Training

The Bank is committed to advancing the establishment of foreign exchange outlets, strengthening team dynamics, and enhancing the quality of foreign currency cash services. The Operations Management Department collaborates with professional foreign currency training institutions to provide courses and organizes training sessions focused on the anti-counterfeiting features of major foreign currencies for staff at exchange outlets and relevant departments. This initiative effectively improves the ability of our cash handling staff to identify counterfeit foreign currency.

## Financial Service Accessibility

To further advance the Jingsu Rural Credit Union's special project aimed at establishing and promoting specialized branches, Changshu Rural Commercial Bank is actively implementing the 123 Project. This plan includes the completion of five specialized outlets by 2024, focusing on the Central Business Department, Suzhou Branch Business Department, Shajiabang Branch, Haiyu Branch, and Dongbang Branch. By 2025, we aim to expand this number to ten specialized outlets, and by 2026, we expect to reach a total of fifteen specialized outlets. In addition, by 2026, the Bank plans to establish 30 Four-in-One Demonstration Points, enhancing its service offerings.

### Overview of Specialized Outlets at Changshu Rural Commercial Bank

#### Shajiabang Branch:

**Revolutionary Specialized Outlet** Leveraging the rich revolutionary resources of Shajiabang, the branch has seamlessly integrated revolutionary culture with financial services, creating a distinctive financial service brand inspired by this heritage. Through initiatives such as establishing revolutionary culture bases, organizing relevant events, and focusing on serving the associated customer groups, the branch not only preserves the essence of red culture but also enhances its brand image and social influence. This approach has resulted in a win-win situation, yielding both economic and social benefits for the community.



#### Central Business Outlet:

**Yanguichao Outlet Empowered Technologies** The Central Business Department draws inspiration from the design concept of "Yanguichao" (Swallows Returning to the Nest). The hall is divided into eight areas: Digital Nest, Financial Zone, Joy Nest, Rest Nest, Learning Nest, Cloud Nest (Live Streaming Room), In-Branch Store, and Swallow Pocket Park. It is committed to providing customers with comprehensive services and unique experiences. By hosting a variety of vibrant activities, the branch continually enhances the leisure life of local residents, establishing itself as an attractive bank within the community.







Expanding Outlet Coverage

By the end of 2024, the Bank had a total of 170 branches, which included 1 Central Business Department, 39 local sub-branches, 7 branches in other regions, 35 sub-branches in other regions, and 88 sub-offices. These outlets are strategically located across the regions of Suzhou, Wuxi, Zhenjiang, Nantong, Yancheng, Yangzhou, Taizhou, Lianyungang, Huai'an, and Suqian.

Optimizing Online Service:



Changyin Life APP

The Changyin Life APP seamlessly integrates life services, employee services, and online financial services, offering customers intelligent, scenario-based, mobile, and personalized solutions. In 2024, the Bank launched the Changyin Life mini-program as a new customer acquisition platform, effectively streamlining the live-streaming customer acquisition process. It also introduced a group buying feature and food coupon redemption capabilities, which help enhance customer loyalty.



Changshu Rural Commercial Bank APP

In partnership with Huawei, the Bank successfully launched a HarmonyOS version of its app, addressing the compatibility issues faced by HarmonyOS users. Additionally, the app's interface has been optimized to be more elderly-friendly, providing older customers with a more convenient and thoughtful operational experience, as well as better product services.



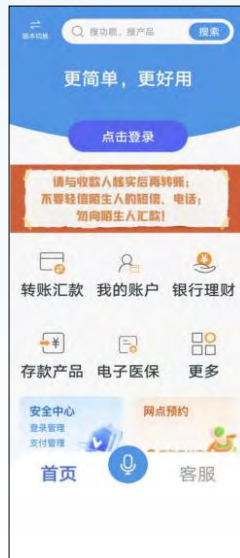
Changyin Business APP

It successfully integrated a precious metals marketplace, allowing for corporate account payments for purchases and providing users with a more convenient trading channel for precious metals. The app also features a corporate treasury functionality, enabling seamless role switching and enhancing the convenience of corporate treasury services. Additionally, a unified view for bills has been launched, offering an integrated display of bill information, allowing users to clearly and intuitively understand the relevant details.

Satisfying Special Needs

Elderly Users

The Bank has launched an elderly-friendly app interface designed to make it easier for older users to navigate and utilize the app.



New Citizen Groups

- For salaried customers, the Bank has launched a range of financial products tailored to meet their needs. These offerings include deposits and regular investments, citizen loans, exclusive deposits for new citizens, and a series of six-month wealth management products. Additionally, the Bank provides customized savings plans that automatically open a fixed deposit account each month after enrollment, allowing salaried customers to better plan their savings.
- To facilitate the requirements of new citizens for returning home and making interbank transfers, the Bank has introduced a new citizen-exclusive card, which includes three free interbank transfers each month.
- Furthermore, the Bank has organized initiatives such as the New Citizen Home in Suzhou and various new citizen service activities labeled Five Entries. In partnership with the Suzhou New Citizen Service Innovation Lab Alliance, the Bank has engaged with enterprises, communities, schools, rural areas, and households to promote financial services specifically designed for new citizens.



Social Security Cardholders

- For social security cardholders, the Bank has launched exclusive deposit products with a minimum deposit requirement of 5,000 RMB, bundled with a selection of benefits.
- In Changshu, we have deployed 51 social security card issuing machines, and 109 branches across the city offer instant online card processing services, providing convenience for customers in both card issuance and replacement.
- The Bank collaborates with the Human Resources and Social Security Bureau to develop and expand the all-in-one card application, which encompasses a wide range of services, including park recharge, bus fare recharge, public bicycle access, sunshine benefits, and smart canteens.
- We also offer various financial incentives such as fuel discounts, park recharge discounts, and food merchant discounts, providing consumption benefits to the general public.
- Furthermore, the Bank has integrated nearby social security services, enabling residents to efficiently manage their social security matters.

Disabled Users

- At branch entrances, the Bank has implemented barrier-free access ramps, displayed service hotlines, and installed service buttons. It also offers wheelchairs and other useful devices to help users with physical disabilities enter and exit the branches seamlessly.
- Inside the branches, you will find reading glasses and magnifying glasses of various strengths, as well as Braille cards and Braille keyboards available at external counters to enhance service accessibility for visually impaired customers.
- The lobby staff are equipped with tablets, and dedicated service windows offer non-verbal communication cards and writing boards to facilitate communication for hearing-impaired users.



Child Users

- For our young users, the Bank has launched a special "lucky money" product, supporting deposits starting from 500 RMB. This offering is designed for children and their parents, featuring personalized deposit certificate designs with the option for handwritten or printed blessings.
- Our signature brand activity, the Summer Mobilization event, has garnered widespread recognition across various sectors of society. Now in its 11th season, this year's theme is Dudu Swallow's Summer Research Camp, which includes engaging activities such as bird-watching, little bankers, and little firefighters. These activities are aimed at enhancing our brand image, rewarding valued customers, and expanding our brand influence.







Consumer Finance Support

Changshu Rural Commercial Bank is dedicated to supporting the growth of domestic demand by harnessing the power of financial technology and retail operations. Our goal is to connect with consumers and merchants alike, strengthening consumer confidence and invigorating spending. We strive to improve the quality of life for our customers and address their increasing desire for a better lifestyle. As of the end of 2024, we issued personal consumer loans totaling 25.7 billion RMB, an increase of 1.343 billion RMB, reflecting a year-on-year growth of 5.51%.

Consumer Finance Initiatives at Changshu Rural Commercial Bank

Credit Cardholders	The Bank has launched the 50% Off Storm - 10 RMB Flash Sale for Premium Coupons campaign, which features 10 different types of coupons, including JD E-cards, Hema gift cards, Tmall shopping vouchers, and Chagee coupons. These offers cater to various needs, encompassing areas like dining, shopping, and online platforms. In line with the national consumption subsidy initiatives for electric vehicles, home appliances, and digital products, the Bank is providing interest-free credit card installment plans and various discount offers, along with additional subsidy funds to enhance the overall consumer experience.
Car Owner Cards	The Bank is committed to continuous product innovation. In August, we introduced the Feiyan Car Owner Card, designed to offer more convenient and intelligent financial services for our car owner customers. During the promotional event, customers within our business jurisdiction can enjoy a variety of exclusive benefits, including giveaways at gas stations, complimentary car washes, charging rewards, gifts for new customers, discounts on car purchases, and incentives for enrolling in driving schools. This event has seen the successful issuance of a total of 22,000 cards.
Digital RMB	The Bank has once again upgraded its digital currency system by integrating the digital currency functionalities of multiple operating institutions. This enhancement enriches the diversity of its digital currency offerings and strengthens our unique digital RMB business, marking a significant advancement in the development of the Changshu Rural Commercial Bank's mini digital currency app. We are continuously enhancing our system's capabilities. We have successfully connected the full-function digital currency systems of six key institutions: Agricultural Bank of China, Industrial and Commercial Bank of China, Bank of Communications, Industrial Bank, Postal Savings Bank of China, and China Construction Bank. Additionally, we have implemented the "direct connection at one point" feature from the Digital Currency Research Institute. This comprehensive integration ensures that our customers can easily access and utilize our digital currency services through multiple channels.
Shopping Festivals	The Bank has launched a special spending milestone program in conjunction with the JD.com Grand Promotion (618). Customers who reach various spending thresholds will receive shopping vouchers ranging from 5 to 100 RMB, which can be combined with platform discounts to encourage increased spending. During the Double 11 shopping event, the bank is hosting a spending lottery. Customers who use their credit cards for purchases can enter the lottery for a chance to win rewards such as points, instant discounts, Xiaomi phones, watches, and other exciting prizes.
Travel and Transportation	During the Spring Festival period, when travel and tourism demand reaches its peak, the Bank launches a special local travel promotion. Customers who spend 200 RMB or more will receive a 20 RMB discount. This offer applies to the purchase of high-speed rail tickets, airline tickets, and hotel bookings, making it easier for travelers to enjoy discounts during this busy season.

Innovative Products of Changshu Rural Commercial Bank

Monthly Salary Savings:

To meet the needs of customers seeking regular forced savings, the Bank has introduced the Monthly Salary Savings, a regular investment product. Customers can easily set up a monthly fixed deposit plan that includes automatic deductions and automatic principal and interest payments upon maturity.

Let's Meet Over Noodles:

To expand the scale of regular savings, the Bank has launched a customer engagement activity centered around Changshu Noodle Eating. Customers who meet their regular savings targets will receive corresponding reward points, encouraging them to save while enjoying a local culinary favorite.

Gold Exchange:

With gold prices on the rise, ordinary consumers are shifting away from daily gold jewelry purchases and turning to the practice of exchanging old gold jewelry for new pieces. This trend reflects consumers' desire to make smart financial choices while updating their accessories. The Bank has seized a significant opportunity by partnering with precious metals companies and integrating our existing branch resources to create an innovative gold exchange service. This offering allows customers to access high-quality products while revitalizing their household gold reserves and improving gold utilization.

Accumulated Gold:

This year, the Bank has launched a new precious metals accumulation service on our mobile banking platform. This service features seamless end-to-end integration, allowing customers to easily navigate from account opening to gold accumulation, redemption, and exchanging for physical precious metals. Complemented by targeted marketing activities, market insights, and official account articles, the Bank aims to enhance customers' understanding of accumulated gold investment and increase their willingness to invest. With features such as ultra-low entry prices, diverse investment options, real-time fund transfers, and extended trading hours, our accumulated gold service provides flexible and varied investment methods, significantly enhancing the range of investment choices available to customers.



## Supporting Small and Micro Businesses

Changshu Rural Commercial Bank is dedicated to supporting private small and micro businesses by offering loans of up to 10 million RMB, particularly targeting those within local small business clusters and specialized markets. The Bank has also moderately relaxed its entry requirements to better serve these businesses. With a service philosophy that emphasizes “focusing on small businesses, deepening services, prioritizing creditworthiness, and transitioning to online platforms”, the Bank remains rooted in the county. It meticulously cultivates relationships and provides customized financial services tailored to a diverse range of customers. Furthermore, the Bank has ramped up its credit loan support for micro businesses and individual businesses with strong growth potential and solid credit history, helping them stabilize and expand their operations.

### Strategies Serving Small and Micro Businesses of Changshu Rural Commercial Bank

#### Customer Group Operations

This targets civil servants and public institution customers, segmenting this group into six major categories and nine subcategories based on product offerings and occupational characteristics. The Bank conducts an analysis of the per capita contribution of customers across various ages, genders, and customer groups to pinpoint those segments most deserving of resource investment. Additionally, it evaluates how holding specific products influences customer assets under management (AUM) and current balances to identify key products and operational models for these segments. Through sampling surveys, the Bank gains insights into customer preferences, assesses potential growth opportunities, and establishes targeted strategies for managing customer segments effectively. The Bank plans to develop an integrated benefits and rewards system centered around “activate card - use card - primary account”. This includes three key components: card opening benefits, card activating benefits, and asset growth benefits.

#### Corporate WeChat Strategy

To enhance customer engagement, the Bank collaborates with various institutions to create a “one bank, one account” model for jointly managing customer groups. These institutions facilitate the transfer of customers to the corporate WeChat platform, where dedicated headquarters assistants conduct centralized operations. These assistants are responsible for addressing daily customer inquiries, promoting products, activities, and financial literacy, as well as organizing regular community events.



#### Case Providing a Loan to a Precision Component Enterprise and Successfully Overcoming Financing Challenges

A precision component producer, established in 2018, is a micro-enterprise primarily engaged in the research and development (R&D), processing, and sales of precision molds, precision hardware components, electronic products, automation equipment, testing fixtures, inspection equipment, and accessories. This year, the producer acquired two new pieces of equipment, leading to an increase in order volume compared to last year, which resulted in a funding gap. The Bank was able to address this challenge by providing a loan of 3 million RMB through the Micro Business Easy Loan, thereby promptly resolving the customer’s financing issues.



#### Case Alleviating Financial Pressure for a Microelectronics Company

A microelectronics company established in 2022 specializes in the packaging of integrated circuit smart card chip modules. Its primary products include smart card chip module packaging as well as QFN and DFN packaging. Its customers include prominent firms such as CETC, Shanghai Fudan Microelectronics, Tongxin Micro, and Henghui Technology. Recently, the company needed to invest in new equipment to enhance its efficiency, planning to spend approximately 4 million RMB on these purchases. In response to their requirements, the Bank provided a loan of 2 million RMB through our Equipment Easy Loan, with a repayment term of three years, effectively alleviating the company’s financial pressure.

## Inclusive Livelihoods and Enhancing Welfare

### Customer Interests

Changshu Rural Commercial Bank is committed to strengthening customer relationship management through refined customer segmentation, enhanced communication, value-added services, the establishment of professional teams, optimized service experiences, and improved risk prevention and control. These comprehensive initiatives enable the bank to gain a deep understanding of, and effectively respond to, customer needs. As a result, the Bank has not only increased customer satisfaction and loyalty, but it has also effectively driven business growth and built a strong brand image. Today, it stands as a trusted financial service partner for small and micro businesses, as well as residents in the region.

Customer satisfaction

98.02 %

### Customer Relationship Management Measures of Changshu Rural Commercial Bank

Building Customer Insight Capabilities	<p>Unified Personal Customer View: We are integrating our internal data tags and adding manual soft information tags to create a comprehensive unified retail customer view. This view encompasses ten key dimensions: basic information, relationships, assets, liabilities, products, transactions, risks, value, interests, and preferences. By doing so, we provide our frontline staff with detailed customer profiles, tailored product recommendations, and effective marketing scripts. This initiative enables a seamless closed-loop improvement process between our headquarters and branch locations.</p> <p>Segmented Three-Dimensional Customer Matrix:</p> <p>We are developing a refined customer matrix based on the customer journey, customer tier, and wealth stratification. This system pays special attention to our key demographics, particularly the elderly and children, as well as high-debt and high-asset customer groups. The goal is to implement precise strategies through effective customer segmentation and classification, thereby optimizing our approach to these distinct groups.</p> <p>Panoramic Customer Value Assessment:</p> <p>We are developing a unified system of retail customer value contribution assessment that comprehensively evaluates both customer revenue and non-revenue value contributions. This unified evaluation of customer comprehensive value levels complements our existing customer tier standards and supports the establishment of matching entitlement systems and intelligent entitlement matching mechanisms. This approach empowers our front-line customer service teams and enhances our marketing efforts.</p>
Enhancing Customer Service Capabilities	<p>The Bank has implemented a Three Reaches service mechanism. Through customer segmentation and value assessment, we have developed a layered and categorized service approach, complemented by a full lifecycle service system. By utilizing a single contact number and a streamlined form, the Bank ensures that we effectively reach out to customers, maintain accurate records, and provide exceptional service, ultimately resulting in a significant enhancement in service quality.</p>
Enhancing Customer Operations Capabilities	<p>The Bank has developed a comprehensive and standardized operational system across seven key dimensions: customer groups, products, channel scenarios, performance evaluation, marketing services, data, and systems. By focusing on customer growth, scaling improvements, and enhancing account management per person, the Bank has established a customer product channel recommendation strategy that incorporates expert strategies, whitelist strategies, and algorithm-based strategies. Additionally, we have created an extensive retail marketing strategy and an opportunity framework within our marketing middle platform. This setup provides a solid strategic foundation for implementing large retail customer operation models effectively.</p>





### Measures by Changshu Rural Commercial Bank to Protect the Rights and Interests of Elderly Customers

Special service windows have been established at our outlets to prioritize elderly customers, ensuring they receive prompt assistance.



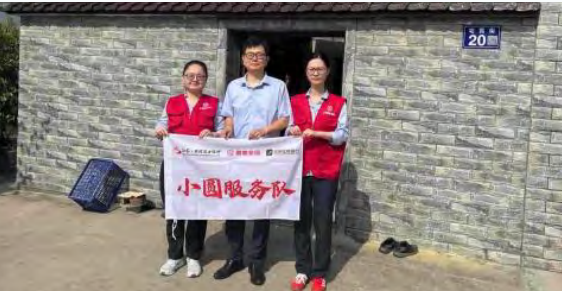
We have introduced a dedicated hotline for elderly customers, offering 24/7 exclusive services to cater to their needs for online consultations, appointments, feedback, and more. Additionally, the customer service center offers support in local dialects in areas such as Changshu and Yancheng, where we have a higher concentration of branch locations. This initiative enhances communication with our elderly customers and demonstrates our bank's commitment to caring for and respecting their needs.



We are transforming our smart devices to be more user-friendly for the elderly, addressing their challenges in using modern technology and enhancing the efficiency of their banking transactions.



Our professional outreach team, known as the Xiaoyuan Service Team, offers home visits for elderly customers with limited mobility. This team provides personalized services, including financial education and marketing product introductions, allowing senior customers to access comprehensive financial services from the comfort of their homes.



### Customer Communication

Changshu Rural Commercial Bank consistently upholds a customer-centric service philosophy. We focus on the nuances of customer needs, simplify business processes, and help our clients bid farewell to cumbersome procedures, all while saving valuable time. Whether it's the warm reception and professional guidance provided by our branch staff or the convenience and efficiency offered through our online service channels, we are dedicated to delivering a comprehensive experience. We aim to turn every interaction and service into a warm connection, fostering a deep bond with our customers. Genuinely prioritizing customer satisfaction, we view it as a key metric for our development and success.

### Customer Communication Measures of Changshu Rural Commercial Bank

#### “Direct Listening” Mechanism for Customer Service

Under the leadership of our headquarters, key personnel and business leaders from various departments and branches have come together to implement a Direct Listening mechanism for customer service. This initiative allows them to directly listen to customer calls, enabling a continuous exploration of opportunities for improvement in our products, services, and overall business operations.

#### Optimizing Online Service Scenarios

The Bank has broadened the scope and capabilities of its telephone banking services. By leveraging 5G messaging, it has effectively bridged the gap between voice and video communication, thereby extending service capabilities and expanding customer service coverage. Customers can now easily perform tasks such as resetting account passwords, updating identity information, lifting account restrictions, and adjusting limits through video verification. Since its launch in November 2024, we have successfully processed 37 transactions.

### Customer Privacy Protection

Changshu Rural Commercial Bank has developed policies such as the Customer Financial Information Security Management Policy and the Production Data Management Policy, which clearly outline the business processes for data management. By aligning with the People's Bank of China's financial standards on data security and personal financial information protection, the bank has also established the Personal Financial Information Security Policy and the External Data Management Measures. These measures standardize the collection, storage, transmission, usage, backup, and destruction of customer data, thereby enhancing full lifecycle protection.

The Bank has put in place a comprehensive and standardized management system for the collection, storage, transmission, provision, and deletion of customer information, as well as for third-party collaborations, ensuring robust customer information security and privacy protection.

### Customer Privacy Protection Measures of Changshu Rural Commercial Bank

Customer Information Collection	<ul style="list-style-type: none"><li>• In line with our commitment to data minimization and obtaining proper authorization, we collect personal financial information only after securing the customer's signed consent through a receipt confirmation process.</li><li>• Customers are encouraged to review our privacy policy, and we ensure that the internet system gathers information only after explicitly obtaining customer consent via the privacy policy module.</li><li>• To enhance security, we utilize password masking technology. This means that when guiding users to enter passwords on the acceptance terminal, client software, or browser, we prevent passwords from being displayed in plaintext.</li></ul>
Customer Information Storage	<ul style="list-style-type: none"><li>• Management Measures: In line with the Information Security Management Guidelines and the Personal Financial Information Security Policy, the Bank implements encryption protocols for customer sensitive information. This ensures information security during transmission, processing, and storage. Access to sensitive data is restricted; employees must obtain approval and are assigned permissions based on the principle of least privilege. Additionally, specific authorization is required for each task involving sensitive data.</li><li>• Technical Measures: Sensitive information in production environments is processed uniformly through data masking systems. Sensitive data is transferred to office networks via secure file transfer platforms, which include regular data cleaning mechanisms. The Bank has a strict policy prohibiting the use of removable storage media across the organization. Any special needs must receive leadership approval, and the activation of permissions is managed through a whitelisting process. Additionally, restoration software is procured to regularly clean the data on online banking experience machines, ensuring the prevention of customer information leaks.</li></ul>
Customer Information Transfer	<ul style="list-style-type: none"><li>• The Bank has procured third-party services to monitor the exposure of sensitive information on internet platforms, ensuring proactive detection and mitigation of potential data leaks.</li><li>Security assistants and encryption software are pre-installed on personal terminals to enable functions such as document encryption, screen capture watermarking, and screen recording protection, enhancing data security at the user level.</li><li>• The Bank uniformly employs encrypted mailboxes for sending external files. Prior to external file transfers, approval is required for decryption, or self-decryption permissions are granted to specific terminals to ensure secure and controlled data sharing.</li><li>• The transfer of production-sensitive data to the office network or the internet via the file transfer platform requires approval, ensuring that sensitive information is handled with the highest level of security and compliance.</li></ul>
Provision and Deletion of Customer Information	<ul style="list-style-type: none"><li>• In compliance with the Personal Financial Information Security Policy and the Production Data Management Policy, the bank has clearly defined the requirements for the deletion and destruction of personal information. Data must be promptly destroyed after it has been fully utilized or reached its expiration date. Additionally, desensitized electronic data, once used, is destroyed under the supervision of the Fintech Headquarters to ensure secure and compliant data handling.</li></ul>
Third-party Cooperation	<ul style="list-style-type: none"><li>• According to the Customer Financial Information Security Management Policy, a thorough assessment of third-party partners' data protection capabilities is essential. Responsibilities and confidentiality obligations must be clearly defined in service agreements to safeguard sensitive information.</li><li>• Confidentiality agreements should also be incorporated into contracts related to technology development, services, and equipment procurement. It is imperative to conduct detailed evaluations of the operational status, security qualifications, and technical service capabilities of outsourcing contractors.</li><li>• When sharing customer information with third parties, it is crucial to utilize encryption methods, adhering to the principle of least privilege to limit access. Data storage and transmission by third-party organizations must employ strong encryption algorithms and dedicated communication lines. Furthermore, servers should only retain de-identified data for a maximum of six months. All queries and retrieval actions must be subjected to strict approval processes to ensure security.</li><li>• An annual inspection of financial mobile client applications should be conducted, focusing on client security and the protection of personal information. This inspection will ensure that any sharing of consumer personal information with third parties is conducted in a legal and compliant manner.</li></ul>

Customer Feedback  
Performance of Changshu  
Rural Commercial Bank

Finance consumption  
complaints processed

731

Complaints resolution rate

100 %

Complaints resolution  
satisfaction

98.8 %

Customer Complaints

The Bank consistently upholds a customer-centric philosophy and places a high priority on effectively addressing customer complaints. To enhance accessibility, it offers multiple complaint channels, such as publicizing dedicated hotlines and providing suggestion boxes at its business outlets. Additionally, the Bank has established standardized procedures to implement a comprehensive closed-loop management system characterized by the principles of “verify first, resolve quickly, and review thoroughly”.

Upon receiving a complaint, the Bank promptly assigns it according to designated pilot area lines and assembles a temporary handling team for each case. This team includes a risk control officer, a complaint management officer, the pilot area director, a business supervisor, and the account manager. Following the resolution of the complaint, written reports are produced and documented according to the severity of the issue.

Furthermore, the Bank proactively communicates common complaint cases through both online and offline channels, including the Lanxin official account, monthly departmental meetings, and employee training sessions. This strategy is designed to strengthen staff competency in handling complaints effectively. The complaint management team also conducts quarterly follow-up visits with complainants, gathering valuable feedback that is shared with the respective pilot areas for continuous improvement. This comprehensive approach significantly enhances the overall service quality of the Bank’s outlets.

Composition of Complaints by Cause of  
Changshu Rural Commercial Bank

Indicator	2024 value
Complaints caused by the management policies business rules and processes of the Bank	81.53%
Complaints caused by debt collection methods and means	5.75%
Complaints caused by service treatment and service quality	1.37%
Complaints caused by pricing and fees	7.25%
Complaints caused by the service settings, equipment and business systems of the Bank	1.5%
Complaints caused by marketing methods and means	0.68%
Complaints caused by the right to independent choice	0.14%
Complaints caused by the consumer’s fund security	0.41%
Complaints caused by the consumer’s information security	0.68%
Complaints caused by product returns	0.27%
Complaints caused by contract terms	0.42%

Compassionate Debt Collection

Changshu Rural Commercial Bank places a strong emphasis on humanistic care throughout the debt collection process. By leveraging phone calls and WeChat interactions, the Bank fosters a sense of empathy with its customers. This approach not only offers understanding and companionship but also helps mitigate resistance and negative emotions often associated with debt collection. By nurturing a supportive environment, the Bank awakens customers’ willingness to repay, enhancing the effectiveness of its collection efforts while fostering a positive, relaxed, and pleasant atmosphere for communication.

Examples of Compassionate Debt Collection Practices at  
Changshu Rural Commercial Bank

Mr. Wang, an employee at a public institution in Wujiang, secured a loan of 1.1 million RMB from the Bank in July 2022, using his property as collateral. Unfortunately, by the end of 2023, he defaulted on his loan. Upon visiting him on-site, our account manager discovered that Mr. Wang was facing a significant debt crisis. Demonstrating our commitment to compassionate debt collection, the account manager engaged Mr. Wang in discussions to explore possible solutions. In February 2024, our efforts to reach Mr. Wang were met with silence, and after several attempts to connect, we learned he was not intentionally avoiding us but was undergoing emergency treatment due to a sudden illness. Adhering to our warm-hearted debt collection principles, we made several visits to the hospital and his home, where Mr. Wang expressed deep remorse for his situation. Once he was discharged and with the support of his family, Mr. Wang prioritized settling his loan with us.



Ms. Jiang faced challenges with her 200,000-RMB business loan, which become overdue. The downturn caused by the epidemic led to the failure of her business, and she now relies on odd jobs for a modest monthly income of 3,000 RMB, making it increasingly difficult for her to meet her loan obligations. Recognizing her situation, our debt collectors approached Ms. Jiang with empathy and understanding, proposing an installment repayment plan that prioritizes the repayment of the principal amount. Ms. Jiang agreed to repay 1,000 RMB each month and expressed a strong desire to have her bank card unfrozen. This would enable her to seek a stable job and gradually increase her repayment contributions. After discussions, both parties reached a preliminary agreement. Ms. Jiang committed to making her first payment of 1,000 RMB on the 24th of the first month. Following this initial deposit, we will formalize the repayment agreement and ensure ongoing support and follow-up to assist her as she works towards financial recovery.





## Financial Education and Outreach



### Case The “Summer Mobilization - Little Banker” Program at Changshu Rural Commercial Bank

In August 2024, Changshu Rural Commercial Bank launched an engaging initiative called the Summer Mobilization - Little Banker program aimed at teenagers. One of the highlights of this program was the Bank Revealed session, where children had the opportunity to step into various roles within the banking world. They became “little security escorts”, “live broadcasters for Changshu Rural Commercial Bank”, and even engaged with the “intelligent customer service system”. This hands-on experience allowed them to simulate real banking scenarios and explore the innovative marketing strategies employed by Changshu Rural Commercial Bank in the age of new media. In the financial mini-class, the Bank’s staff provided engaging lessons on the renminbi (RMB) and precious metals, effectively enhancing the children’s financial literacy. During the Anti-Fraud Garden Party, the program featured interactive games like Anti-Fraud Check-In, Beware of Traps, and the Anti-Fraud Puzzle competition. This blend of education and entertainment helped impart important knowledge about preventing telecom and online fraud to the teenagers. Most importantly, through the “small hands pulling big hands” approach, the initiative successfully promoted anti-fraud awareness, with the idea that one student can influence a family and impact the community. This has significantly contributed to fostering a safe and harmonious financial environment.



### Case [315 Consumer Rights Special Live Broadcast] Numbers Tell the Stories of Personal Information Security

On March 15, 2024, Changshu Rural Commercial Bank, in collaboration with a law firm, hosted a special live broadcast event titled Numbers Tell the Stories of Personal Information Security in recognition of World Consumer Rights Day. This initiative focused on scenarios that resonate with consumers’ everyday lives. Through engaging case analyses, clear explanations, and an interactive online Q&A session, the event aimed to educate attendees on relevant laws, regulations, and fundamental financial knowledge. It also emphasized the importance of protecting personal information and adhering to legal guidelines. The event attracted an impressive audience of 17,000 viewers and achieved 656 shares and re-broadcasts. Additionally, the Bank gained 647 new followers on its official account. This initiative has opened up innovative avenues for enhancing consumer protection education and outreach.



### Case Changshu Rural Commercial Bank Launches “Financial Knowledge into Campus” Initiative

In May 2024, Changshu Rural Commercial Bank, in partnership with Liantang Middle School, launched an educational initiative titled Financial Knowledge into Campus. Centered around the theme Financial Consumer Protection Around Us - Safeguarding Rights and Interests While Preventing Risks, the event featured a financial literacy lecture tailored to the interests and needs of students. The program covered important topics such as the anti-counterfeiting measures for RMB cash and the use of digital RMB. It included case studies that highlighted potential risks, encouraging students to engage in responsible consumption and avoid illegal financial activities. The atmosphere during the event was vibrant, fostering an enjoyable learning environment. Students enhanced their ability to recognize and prevent telecom-based and online fraud, developed critical financial thinking skills, and were guided towards establishing sound consumption habits and values. The initiative received positive feedback from both teachers and students.



### Case 2024 Chinese Farmers’ Harvest Festival in Changshu City

In September 2024, Changshu Rural Commercial Bank participated in the opening ceremony of the Chinese Farmers’ Harvest Festival in Changshu City. The event celebrated the region’s farming culture and the evolving role of farmers. This was uniquely showcased through live streaming on the Changyin Live Room platform. On-site, a financial service station was established to educate villagers on essential financial knowledge. The initiative attracted 1,000 offline visitors and garnered an impressive 13,562 views in the online live room, resulting in the addition of 71 new followers to the bank’s official WeChat account and 109 new users for the Changyin Life service. Looking ahead, the Bank is committed to further cultivating the rural market, promoting agricultural development, and enhancing farmers’ capabilities to combat illegal financial activities and fraud. We aim to continue demonstrating the role of finance in serving the community.



offline visitors

1,000

new followers to the  
bank’s official WeChat  
account

71

views in the online live room

13,562

new users for the  
Changyin Life service

109





**Case Enhancing Internal Consumer Protection Training at Changshu Rural Commercial Bank**

In September 2024, Changshu Rural Commercial Bank conducted a specialized training session titled Interpretation of Compliant Sales and Personal Information Protection Policies in the New Era. This session targeted consumer protection departments, key personnel from the consumer protection department at the headquarters, and key account managers within the large-scale retail business division. The training emphasized the latest trends in financial consumer protection supervision, the implementation of the three appropriateness principles, and the relevant laws and regulations surrounding personal information protection. By aligning these policies with the specific work scenarios of various roles, the session guided employees to uphold compliance while enhancing customer service quality and supporting financial innovation and business development.

**Case Consumer Protection Campaign in Haiyu - Shouldering New Missions**

In September 2024, Changshu Rural Commercial Bank, in collaboration with the Changshu Financial Regulatory Sub-bureau, the People's Government of Haiyu Town, and various banking and insurance institutions, launched an on-site publicity campaign titled Shouldering New Missions, Consumer Protection Campaign in Haiyu. During the event, our staff employed a variety of methods, including on-site lectures and the distribution of educational materials, to impart essential financial knowledge to the villagers. The focus was on preventing common types of fraud, such as investment scams, impersonation fraud by relatives or friends, and safeguarding personal credit information. Villagers are encouraged to adopt a proactive mindset by promoting the principles of not creating rumors, not believing rumors, and not spreading rumors. This initiative significantly enhanced the villagers' ability to identify and mitigate financial risks, fostering a greater sense of vigilance within the community.

**Case Qingpu Xingfu Village Bank Launches Consumer Rights Protection Awareness Campaign**

In November 2024, Qingpu Xingfu Village Bank initiated a series of promotional activities and training sessions focused on consumer rights protection. These initiatives aimed to educate consumers about their rights, promote effective financial management practices, and prevent financial frauds. By enhancing awareness of consumer protection, the Bank sought to improve individuals' and families' asset planning skills, fostering positive outcomes for both the community and society at large. Ultimately, these efforts contribute to greater financial well-being and social development.

**Case Paiyao Sub-Branch of Xingfu Village Bank Launches Financial Education Initiative**

In November 2024, the Paiyao Sub-branch of Xingfu Village Bank organized a financial education and outreach event in Suoying Village, Xianglushan Town, Yiyang County, themed Warmth in Finance, Knowledge Reaching Households. A team of five employees from the sub-branch distributed informational brochures covering topics such as Prevention of Illegal Fundraising, Deposit Insurance Knowledge, and Prevention of Telecom and Online Frauds. They visited local households to share essential financial knowledge and raise awareness about potential scams. The team provided a detailed explanation of various criminal tactics, including money laundering and telecom fraud, using real-life case studies to enhance residents' vigilance and understanding. Through this initiative, the Paiyao Sub-branch aimed to empower the community with critical financial information and foster a safer financial environment.

**Case Yiling Xingfu Village Bank Longquan Sub-Branch Hosts Financial Knowledge Lecture**

In June 2024, the Longquan Sub-branch of Yiling Xingfu Village Bank visited Paomagang Village to conduct a financial knowledge lecture for villagers. Bank staff highlighted the deceptive tactics used by scammers by sharing real fraud cases from nearby villages and towns. The session covered various types of fraud, including telecom scams where perpetrators impersonate officials from public security and judicial departments, and fraudulent health product schemes targeting the elderly. Each type of scam was analyzed in detail to enhance awareness. Villagers were urged to be cautious about unsolicited calls and messages, to be wary of enticing high-return promises, and to protect their pensions and hard-earned savings. This initiative aimed to equip the community with vital financial knowledge and promote greater vigilance against fraud.







### Case Nanhua Xingfu Village Bank' s Rural Financial Knowledge Campaign – Respecting the Elderly

Nanhua Village Bank is dedicated to providing comprehensive and convenient financial services to the community. In conjunction with significant events such as Party Founding Day, the Double Ninth Festival, and Teachers' Day—when villagers often gather—the bank organizes awareness campaigns. These sessions focus on educating local farmers about common telecom fraud methods and preventative measures, addressing their financial needs and promoting financial literacy. Living up to its motto, When in trouble, turn to Xingfu, the bank aims to be the trusted financial expert alongside the community.



### Case Gaogang Xingfu Village Bank' s Rural Financial Knowledge Campaign

In September 2024, staff from Gaogang Xingfu Village Bank, in collaboration with the community village committee, organized a financial knowledge awareness session. The bank representatives shared essential tips on deposit insurance, counterfeit currency prevention, and telecom fraud prevention with the attending villagers. During the session, the staff patiently demonstrated how to use the bank's app to smartphone users among the villagers. They also distributed small gifts and promotional materials, encouraging everyone to strengthen their awareness of prevention measures in both daily life and work.



### Case Dangyang Xingfu Village Bank' s Rural Financial Knowledge Campaign

Dangyang Xingfu Village Bank has proactively engaged in promoting financial literacy and consumer protection initiatives throughout the county under the theme Financial Services for the People, Safeguarding Rights and Preventing Risks. The bank has implemented regular outreach activities in rural areas, communities, and commercial districts. Focusing on basic financial knowledge tailored to the needs of the public, the bank promotes awareness of essential financial products and services, addresses challenges faced by the elderly in using technology, and offers convenient loan services to new citizens to meet their financial needs. Moreover, the bank raises awareness about preventing illegal financial activities and enhances financial security awareness among the public. The bank ensures that financial consumers are well-informed about vital financial knowledge, including bank card security, loan information, deposit insurance responsibilities, personal credit reporting, and anti-money laundering practices.



## Standardized Supply: Supporting Development

### Supplier Management

Changshu Rural Commercial Bank strictly adheres to laws and regulations such as the Bidding Law of the People's Republic of China and its implementation regulations, along with internal guidelines like the Supplier Management Regulations of Changshu Rural Commercial Bank Co., Ltd. The Bank has established a standardized communication mechanism with suppliers to foster long-term, stable partnerships built on integrity.

Additionally, the Bank has developed a comprehensive supplier database and conducts thorough evaluations and assessments to manage suppliers in a hierarchical and classified manner. It integrates ESG criteria into its supplier development and admission processes, encouraging suppliers to operate responsibly and ethically. This approach ensures that suppliers meet the Bank's standards for ethics, safety, health, human rights, and social and environmental performance, thereby promoting a responsible supply chain.

In its procurement of IT basic software and hardware, the Bank prioritizes domestic products, which encompass office computers, peripherals, servers for computer rooms, network devices, and financial equipment. By the end of December 2024, our cumulative investment in the procurement of domestic products reached 23.91 million RMB, representing 67.74% of the total investment in IT basic software and hardware.



our cumulative investment in the procurement of domestic products reached

**2,391** million RMB



represent total investment in IT

**67.74** %

### Office Printer Procurement Project:



domestic Xinchuang M7108DN printer

### Data Middle Office Platform



Reconstruction Project: domestic





# Section 4

## Centering on Society: Promoting Tangible Livelihood Projects

Changshu Rural Commercial Bank embraces a people-oriented philosophy, recognizing employees as invaluable assets. The Bank is dedicated to fostering a harmonious work environment that prioritizes employees' career growth and personal well-being. Through a robust incentive system and a vibrant corporate culture, it unlocks employees' potential, emphasizes health, and collaborates to build a brighter future. The Bank is reshaping the rural economic landscape, grounded in strong agricultural foundations, set against picturesque countryside, and aimed at achieving prosperous farming communities. This initiative supports the great rejuvenation of the Chinese nation and plays a pivotal role in advancing rural development in the new era.



### Performance Highlights in 2024

Employees with disabilities

3

Occupational health examination coverage

100 %

Total participation

58,519

Employment contract rate

100 %

Social insurance rate

100 %

### Responses to UN SDGs





# Safeguarding Rights and Interests: Prioritizing Employees

## Lawful Employment

Changshu Rural Commercial Bank is committed to upholding the legal frameworks established by the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, and the Social Insurance Law of the People’s Republic of China. The Bank strictly adheres to principles of equal employment, resolutely opposing child labor and any forms of discrimination or forced labor based on gender, ethnicity, race, age, family background, or disability. By fostering positive labor and employment relationships, the Bank respects and safeguards the rights and interests of its employees.

Employee Data of Changshu Rural Commercial Bank

Indicator		Unit	2024 value
Total employees		/	7,437
Employees by gender	Male	/	3,373
	Female	/	4,064
Employees by age	30 years old or below	/	2,466
	30 - 50 years	/	4,700
	50 years old or above	/	271
Employees by level	Senior managers	/	8
	Middle managers	/	723
	Average employees	/	6,706
Employees by education background	Lower than bachelor’ s degree	/	800
	Bachelor’ s degree	/	6,191
	Master’ s degree or higher	/	446
New employees by region	Jiangsu Province	/	5,101
	Other provinces in Chinese mainland	/	2,336
New employees		/	823
Employment turnover rate		%	6.81
Employment contract rate		%	100
Social insurance rate		%	100

To enhance the employer brand of Changshu Rural Commercial Bank, the recruitment team conducted campus presentations at 13 prestigious domestic universities, including Tsinghua University and Peking University. Additionally, the Bank leveraged its new media platforms to provide job applicants with insight into its talent philosophy and recruitment information. In the 2024 campus recruitment cycle, the Bank successfully hired a total of 117 individuals, comprising 1 doctoral degree holder, 44 master’s degree holders, and 72 undergraduates.

## Salaries and Benefits


Changshu Rural Commercial Bank has established a performance-driven position assessment, evaluation, and incentive mechanism. By implementing management measures such as the Employee Position Coefficient and the Implementation Measures for Deferred Payment of Performance-related Salaries, the Bank has optimized its salary management model and enhanced its comprehensive salary system. This includes a floating salary mechanism that considers factors such as region, job level, and employee performance to provide targeted incentives.

In line with the Employee Education and Training Incentive Policy, the Bank supports and encourages employees to pursue external professional qualification certifications. It offers reimbursement for part of the exam fees to those who achieve certification. The list of supported certifications has expanded to include 37 qualifications, such as Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), and Certified Public Accountant (CPA).

关于印发《江苏常熟农村商业银行股份有限公司  
员工教育培训奖励办法》的通知

各分支机构、总行营业部、总行各部门：  
现印发修订后的《江苏常熟农村商业银行股份有限公司员工教育培训奖励办法》，请遵照执行。  
特此通知。

附件：江苏常熟农村商业银行股份有限公司员工教育培训奖励办法



Reward Measures for Employee Education and Training at Changshu Rural Commercial Bank

The Bank enhances its focus on high-performing employees as well as those in key positions by implementing robust incentive programs. Through a comprehensive planning approach, it has developed a benefits system that integrates short-term, medium-term, and long-term components. This initiative aims to progressively improve employee benefits, boost the Bank’s attractiveness, and foster greater loyalty among employees.

Five Categories of Employee Benefits at Changshu Rural Commercial Bank

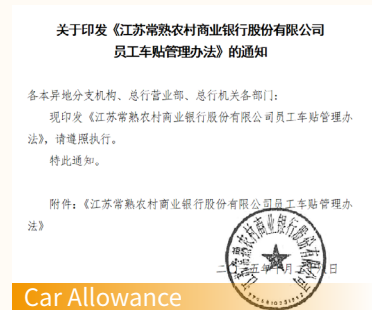
Family-Care Benefits	Only-Child Allowance Children’s Education Subsidy Children’s Day Benefits Children’s Medical Expense Reimbursement Children’s Medical Insurance
Special Recognition Benefits	Business Travel Allowances Women’s Day Benefits Special Care Subsidies for Female Employees Awards for Outstanding Employees Housing Allowance for Relocated Employees
Security Benefits	Five insurances & Housing Fund Hospital Visit Gifts Enterprise Annuity Program Term Life Insurance Annual Health Check-ups Personal Accident Insurance
Monetary Benefits	Deferred Compensation Vehicle Allowance Welfare Payments High-Temperature Season Subsidy Holiday and Bank-Anniversary Bonuses
Quality-of-Life Benefits	Communication Allowances Birthday Benefits Holiday Gifts Daily Necessities Seasonal Supplies Annual Leisure Cards Sports and Arts Associations Paid Leave







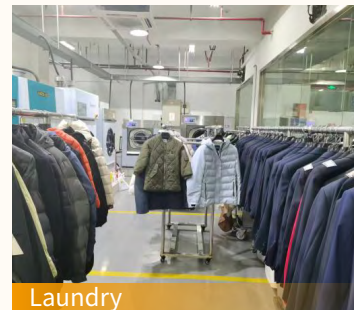
The Bank places a strong emphasis on employee benefits and has implemented a comprehensive annuity system. In line with the Enterprise Annuity Plan of Jiangsu Changshu Rural Commercial Bank Co., Ltd., it enriches employees' retirement security. In addition to the mandated five social insurances and one housing provident fund, the Bank offers lifelong critical illness insurance, accident insurance, and term life insurance. Furthermore, it has enhanced the staff canteen and upgraded facilities, including the Yanzhiju Coffee Bar, laundry room, bakery, and gym, thus improving overall convenience for employees.



Car Allowance



Coffee Bar



Laundry



Bakery



Employee Canteen



Gym



### Case Celebrating College Entrance Examination Success at Changshu Rural Commercial Bank

In August 2024, the labor union of the headquarters of Changshu Rural Commercial Bank organized a special event to support employees whose children had recently completed their college entrance examinations. The union extended heartfelt congratulations and provided admission gift packages to employees whose children successfully gained admission to colleges as a result of the 2024 entrance exams. During the event, employee representatives shared their perspectives on parenting and the challenges of raising children, while student representatives discussed their learning experiences, aspirations, and future plans. Additionally, the labor union presented each employee and their children with gift packages and condolence money, fostering a sense of community and support. Attendees also took the opportunity to express their feelings and congratulations on letter paper.



Employees with disabilities

3

Employees turnover rate

6.81 %

Employment contract rate

100 %

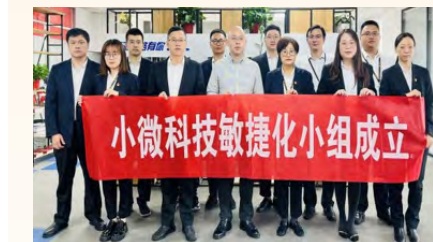
Social insurance rate

100 %

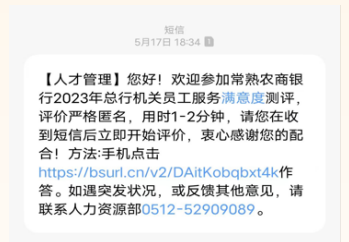
## Employee Communication

Changshu Rural Commercial Bank is dedicated to upholding the Regulations on Democratic Management of Enterprises in Jiangsu Province and is committed to creating a diverse platform for employee communication. The Bank regularly hosts internal symposiums and meetings for union members, continually enhancing its employee feedback mechanisms to ensure that every voice is heard and addressed promptly. As a result, the Bank achieved an impressive employee satisfaction rate of [100%] in 2024.

The Bank has implemented multi-level, multi-functional communication channels to facilitate the flow of information and skill-sharing across various departments, roles, and regions. To enhance these efforts, we consistently improve our information platforms, including Lanxin+, WeChat account, and our human resources system, ensuring instant communication and seamless sharing of information among internal teams. This approach fosters efficient collaboration and informed decision-making.



Cross-departmental team communication



Employee satisfaction surveys



Employee symposiums



Lanxin+

The Bank prioritizes the well-being and happiness of its employees. For those who submit resignation applications, we conduct open-hearted discussions to understand their reasons for leaving, aiming to address the root causes of their concerns and offer psychological support. In cases where employees find themselves unsuited for their current roles due to personal reasons, we provide assistance with job transfers to help them find a more suitable position.



### Case Changshu Rural Commercial Bank Hosts Exchange Event for Veteran Employees

In August 2024, Changshu Rural Commercial Bank organized an exchange meeting for veteran employees, themed Military Glory: Tribute on August 1st. The Bank commemorated the occasion by presenting festival souvenirs to each veteran and providing a specially customized cake in honor of Army Day, offering heartfelt holiday greetings and respects.







## Diversified Cultivation: A Path to Progress

### Employee Promotion

Changshu Rural Commercial Bank adheres to its internal frameworks, including the Management Measures for Qualifications of Incumbents and the Management Measures for the Expert System. These measures ensure that the Bank provides diverse development opportunities for its employees.

The Bank follows a comprehensive training protocol, mandating six essential training requirements: onboarding for all new hires, training for job transfers, promotion training, successor development, instructor training, and continued training for all staff. By employing a special instructional approach, the Bank continuously enhances its talent development supply chain. Additionally, the Bank has crafted two key talent development initiatives: Swan Geese Soaring High and Roc Spreading Its Wings. These programs aim to establish an H-shaped dual-channel development path, encompassing both management and professional growth.

#### Swan Geese Soaring High

The Swan Geese Soaring High initiative is designed for senior, middle-level, and grassroots managers and comprises three key sub-plans: Leading Flight, Taking-off Flight, and Starting Flight. This program utilizes modern talent assessment techniques and adheres to the principles of stratified progression, accelerated development, and incremental growth. Its primary goal is to identify and nurture a diverse pool of managerial talent characterized by a broad vision, high ethical standards, organizational loyalty, and outstanding overall competence.

#### Roc Spreading Its Wings

The Roc Spreading Its Wings plan focuses on supporting business development as its central objective. Utilizing a robust qualification system, this initiative identifies key business areas, categorizes skill levels, and evaluates qualifications and professional training. Its aim is to select and cultivate a cohort of talented professionals who demonstrate exceptional business acumen, strong leadership, aligned values, and outstanding overall capabilities.

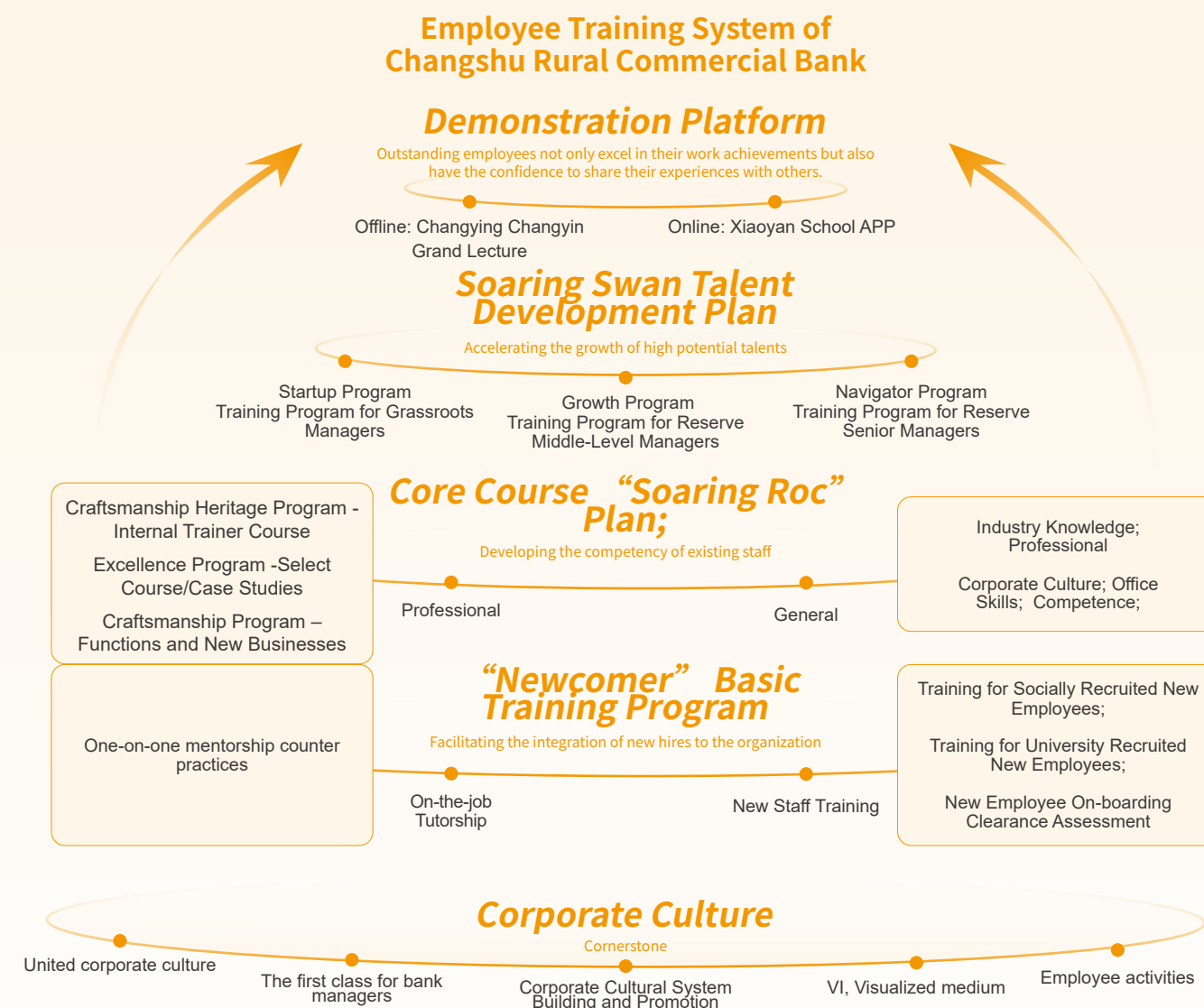
### Talent Promotion Channel at Changshu Rural Commercial Bank



### Employee Training

Changshu Rural Commercial Bank prioritizes the growth and development of its employees by offering a wealth of career opportunities. The Bank has established the Changyin School, which is comprised of four key centers: the Culture Center, the Professional Competence Center, the Leadership Center, and the Academic Affairs Center. Within the Professional Competence Center, there are seven specialized branches: Small and Micro Finance, Corporate Finance, Retail Finance, Operations Management, Credit Risk Control, Xingfu Village Bank, and Fintech. In 2024, the Bank conducted a total of 375 training sessions.

Our training system encompasses corporate culture, new employee onboarding, professional skills enhancement, and management development. The goal is to facilitate the smooth integration of new employees, boost the capabilities of existing staff, and nurture the growth of high-potential talent. Through the Changyin Grand Lecture and Xiaoyan School, the Bank empowers outstanding employees to share their experiences and insights. This initiative not only enhances individual contributions but also fosters the overall advancement of the organization, creating a positive cycle of mutual growth between talent and the organization.







Training Plan for the Retail Business Line at Changshu Rural Commercial Bank

The Young Eagle Plan

The New Eagle Plan

The Flying Eagle Plan

The Elite Eagle Plan

The Master Eagle Plan

The Sunflower Plan

The Dandelion Plan

Employee Training at Changshu Rural Commercial Bank

Indicator	Unit	2024 value
Total training sessions	/	393
Total training duration	Hour	259,976.8
Total participation	/	58,519
Training expense	10k RMB	1,067.4
Average training duration per employee	Hour	49.37
Average training duration per senior manager	Hour	17.67
Average training duration per middle manager	Hour	42.86
Average training duration per average employee	Hour	52.26

The Bank places a strong emphasis on enhancing employees' professional qualities and skills, viewing this as a fundamental driver for the sustainable and healthy growth of the organization. We regularly organize a variety of training activities that cover the latest financial policies and regulations, risk management, customer service, and other essential knowledge areas. Additionally, we offer tailored courses for different roles to ensure that every employee stays aligned with industry trends and acquires leading-edge business skills. Through these practical initiatives, we embody our people-oriented philosophy and actively contribute to the stable development of the banking industry.

Leadership Training

In 2024, we successfully implemented the project for visits by middle and senior executives, launching the Begonia Flying Swallow Elite Training Camp. This initiative was conducted in three phases and involved a total of 133 participants. The visits took place in carefully selected locations: Shanghai, Shenzhen, and Beijing, facilitating valuable cross-border learning experiences.



The training center has implemented one-on-one course development and design counseling, resulting in the creation of five high-quality expert courses by the end of September.

We successfully conducted five sessions of the New President Training Program, which included 23 newly promoted sub-branch presidents since July 2022.



Professional Training

We successfully conducted a total of 8 sessions for the New Swallow Plan, a new employee training program, training 248 participants. This includes 2 sessions specifically for newly recruited campus employees this year, totaling 108 individuals. The training encompassed a variety of topics, including cultural orientation, general business knowledge, and skill development activities.



We conducted six sessions of the Integration for Setting Off Again, an integrated training program for account managers across the Bank, with a total of 301 participants. The training encompassed a diverse group representing small and micro business, retail, inclusive finance, corporate, and operations. Courses were tailored around themes including marketing, risk control enhancement, and compliance awareness. Sub-branch managers were also invited to engage in discussions on integration, aiding account managers in strengthening their professional skills and enhancing their overall service capabilities.



We launched the Changyin Grand Lecture, which was creatively divided into two segments: the Flying Swallow Grand Lecture and the Golden Swallow Grand Lecture. In total, we hosted three sessions of the Flying Swallow Grand Lecture, with 20 participants discussing topics such as marketing skills and industry insights. Meanwhile, six sessions of the Golden Swallow Grand Lecture attracted 50 participants, covering a variety of subjects including peak season marketing strategies, performance appraisal experiences, and integration practices.



We have also initiated the Hundred Talents in Two Aspects program to nurture digital talent. This initiative involved organizing a BI competition, which served as a training platform, successfully cultivating 100 digital talents. In terms of Business Intelligence (BI) training, a total of 147 individuals completed online training programs. In August, we held an offline BI competition that trained 40 participants. September saw the successful conclusion of the second BI data visualization and analysis skills competition, where 13 teams were shortlisted. From these, we awarded 1 gold, 2 silver, and 3 bronze medals. Additionally, we completed training in digital concepts, digital office skills, digital marketing, and CDA certification for 62 participants, including conducting the CDA exam. To cultivate new media talent, we organized two sessions of the "50 + 50" anchor training competition, effectively training 100 part-time anchors within the bank through a format that combined training followed by competition.







### Case Changshu Rural Commercial Bank Hosts MBA Tutorial Training

In April 2024, Changshu Rural Commercial Bank conducted an online live-streaming event titled Relevant Content of the MBA Tutorial and Online Q&A. This initiative aimed to enhance employees' overall competencies through professional insights and to broaden their career development opportunities. The live event attracted nearly 100 participants.



### Case Changshu Rural Commercial Bank Hosts a Bank-wide Skills Competition

In June 2024, the 14th Business Skills Competition of Flying Swallow Trade Union Cup was successfully held at Changyin School. This event provided a valuable platform for talented employees to showcase their skills, boosting work enthusiasm and morale. The competition not only highlighted individual expertise but also laid a strong foundation for the overall business development of the Bank.



### Case Changshu Rural Commercial Bank Hosts “Find the Strongest Operations Brain” Knowledge Competition

participants  
**632**

participation rate of  
**88.4 %**

Changshu Rural Commercial Bank organized an online business knowledge competition via the Xiaoyan School APP, where participants engaged in a question-and-answer showdown focused on key operational knowledge. The event attracted 632 participants, achieving an impressive participation rate of 88.4%. This strong engagement fostered a vibrant learning environment and established a solid knowledge foundation in preparation for the upcoming peak season.



### Case Changshu Rural Commercial Bank Introduces Special Skill Enhancement Program

Changshu Rural Commercial Bank launched a specialized skill enhancement initiative focused on operations. This program consisted of three sessions held in May, July, and September, divided into three key components: Striving for Excellence, Challenging the Peak, and Online Duel. Participants were organized into two groups—new employees and veteran employees—to ensure that new hires had ample opportunities to showcase their talents. The program encouraged full participation from all staff, creating a surge of skill development during the off-peak business season.



### Case Changshu Rural Commercial Bank's Annual “Ingenuity Plan” for External Training and Exchanges

In April 2024, the Credit Approval Department and the Risk Management Department took part in a seminar titled Analysis of the Whole Credit Process Management and Case Practice. This event aimed to enhance their understanding of the latest business policies and expand their business perspectives.



In July 2024, the International Business Department attended the Swift China Customer Day and 2024 China User Conference: Reshaping the New Experience of Cross-Border Financial Business. This conference provided insights into the latest trends in the global financial market and facilitated the sharing of business cases.





## Humanistic Care: Supporting Employees Every Step of the Way

### Employee Assistance

At Changshu Rural Commercial Bank, we are committed to the well-being of every employee. We pay particular attention to those facing challenges due to low household income and the financial strain of children's education. We also extend our support to employees dealing with serious illnesses, whether personally or within their families, as well as those affected by disasters or unforeseen accidents. We provide essential assistance to employees who have become disabled due to work-related injuries or occupational diseases, as well as those who have undergone major surgeries or hospitalizations. We take pride in recognizing and rewarding employees who demonstrate exceptional commitment during major disasters, uphold their responsibilities during holidays, and make significant contributions to important projects. We honor and celebrate the exemplary individuals who emerge from our grassroots efforts.

In 2024, the Bank collaborated with the Suzhou Working Committee of the China Finance Trade Union to conduct a survey addressing the financial challenges faced by employees within the Suzhou financial sector. A total of three employees in financial distress were identified, each receiving a subsidy of 3,000 RMB to assist them during this difficult time.

### Caring for Female Employees

Changshu Rural Commercial Bank has formed 35 women's groups across the organization, with 23 located in Changshu city and 12 in other areas. To enhance support for female employees, a deputy team leader position has been created within the women's groups at county-level sub-branches, ensuring that women's organizations are present in every branch and frontline service point. This initiative effectively safeguards the rights and interests of female employees. The Bank strictly adheres to the System for the Protection of Female Employees and Minors, which ensures the protection of female employees' rights during pregnancy, maternity, and lactation. Female employees are entitled to exclusive leaves, such as antenatal check-up leave, maternity leave, and breastfeeding leave. Furthermore, the bank has established and improved special labor protection and workplace safety protocols for female employees, providing them with a workplace environment that meets safety and occupational health standards.

Effectively  
Implementing the  
Leave System for  
Female Employees

The Bank strictly follows national regulations and has developed a comprehensive employee leave management policy to safeguard the leave benefits of female employees during pregnancy, maternity, and lactation. To ensure the health and well-being of female employees, the bank also makes reasonable adjustments and accommodations to work positions.

Effectively Implementing  
the Compensation and  
Welfare System for  
Female Employees

The Bank has established a fair and equitable compensation system, ensuring equal pay for equal work regardless of gender. It provides maternity insurance for all female employees of childbearing age and allocates special welfare funds for Women's Day, as well as annual benefits for female hygiene products. These initiatives are designed to enhance the job satisfaction and overall well-being of female employees.

Effectively Implementing  
the Health Care System  
for Female Employees

The Bank prioritizes the physical health of its female employees by offering annual free breast cancer and cervical cancer screenings for all. Recognizing the importance of mental well-being, the bank collaborates with the Changshu Women's Federation to provide free psychological counseling services and organize lectures on mental health and parent-child relationships. These initiatives collectively ensure the holistic health and well-being of female employees.

Effectively Implementing  
the Career Promotion  
System for Female  
Employees

The Bank is committed to creating opportunities for female employees to excel in their careers, encouraging innovation and talent development. Currently, women hold 41% of middle-level positions at the principal level. The Bank also recognizes outstanding contributions through the Changyin Magnolia Award, which highlights the achievements of female employees and showcases their professionalism, dedication, and joy in their work. This initiative not only celebrates their contributions but also promotes the elegance and capabilities of women in the workplace.

Effectively Implementing  
the Care and Support  
System for Female  
Employees

The Bank is dedicated to addressing the personal lives of its employees, particularly in matters of marriage and relationships, by hosting dating and networking events for several consecutive years. To support breastfeeding employees, it has established mother-and-baby care rooms that offer a warm, private, and hygienic environment. Additionally, the Bank has created associations for activities such as bodybuilding, yoga, cooking, reading, calligraphy, and painting, enriching the leisure time of female employees. Furthermore, it organizes creative workshops in flower arrangement, tea art, baking, and handicrafts, fostering a positive atmosphere for employees to thrive both professionally and personally.



The Women's Federation at the headquarters prioritizes the needs of women, safeguarding their legitimate rights and interests. Acting as a supportive confidant and guardian of women's rights, the Federation ensures that female employees feel valued and supported in their workplace.

To support single young women, we leverage our brand influence by actively organizing youth networking activities in collaboration with the Communist Youth League Committee, focusing on their marriage and relationship concerns.



For working mothers, we have established mother-and-baby care rooms, transforming these spaces from non-existent to excellent, thereby safeguarding their rights and interests.



For individuals, we also offer a variety of popular courses, including yoga, aerobics, and dance, designed to engage women's interests. In partnership with the Psychological Association, we facilitate constructive channels for open discussions, confessions, and communication, helping female employees manage work-related stress and personal challenges.



For households, we promote a home-visit initiative that provides supportive services centered around family traditions and parent-child education, fostering a nurturing environment for all our employees.







## Employee Activities

Changshu Rural Commercial Bank has established 18 associations focused on activities such as running, cooking, yoga, photography, calligraphy, and farming, to enhance employees' leisure lives. This initiative fosters a positive corporate culture and creates a vibrant working environment that emphasizes both productivity and enjoyment. The Bank recognizes the significance of employees' quality of life. Through a diverse array of cultural and sports activities, it promotes a harmonious balance between work and personal life. In 2024 alone, the Bank organized approximately 100 cultural and sports events, attracting participation from over 6,000 employees.



Badminton Contest



The Bank's Running Association in the Changshu Village Running Event



Ping-pong Contest



Outdoor Yoga in the Pocket Park of the Headquarters



Basketball Contest



Experience as Chinese Sturgeon Breeders



"Spring Story" Tea Picking Experience



Dragon Boat Festival: Employee Zongzi-Making



April 27th: World Book Day



## Precise Prevention and Control: Safety at the Helm

### Work Safety

Changshu Rural Commercial Bank is committed to a core philosophy of "safety first, prevention-oriented". We view work safety as fundamental to our stable growth and essential for protecting our customers' rights and interests. To enhance our safety management systems and strengthen facility construction, we implement thorough safety training and drills for all employees, conduct comprehensive risk assessments, and maintain an efficient communication mechanism. These initiatives are designed to elevate our safety management standards. The Bank continuously seeks to innovate and adopt advanced safety management concepts and technologies. We strive to create a safe, stable, and harmonious financial service environment, thereby contributing to the prosperity of the local economy and the long-term stability of society.



#### Case Changshu Rural Commercial Bank Conducts First Half 2024 Work Safety Meeting

In March 2024, Changshu Rural Commercial Bank held its work safety meeting for the first half of the year. During the meeting, President Bao Jian delivered crucial guidance on the Bank's safety management practices. He stressed the importance of maintaining rigorous oversight of safety-related operations without any complacency. President Bao urged the heads of each unit, as the primary responsible individuals for work safety, to earnestly implement the directives from the work safety meetings of Jiangsu Province and Suzhou City, while simultaneously fostering a heightened awareness of safety throughout the organization.



#### Case Changshu Rural Commercial Bank Hosts First Half 2024 Meeting for Safety Officers

In May 2024, Changshu Rural Commercial Bank convened a meeting for safety officers across the institution. During the session, Meng Jiong, the Assistant to the President of the headquarters, delivered critical directives regarding the Bank's safety management practices. He underscored the necessity for all safety officers to adhere strictly to the "dual responsibility for one post" principle. Meng emphasized the importance of diligently monitoring work safety, thoroughly investigating potential risks and hazards, and implementing the five-minute safety inspection routine before and after shifts to ensure the smooth operation of the bank's business outlets.



#### Case Changshu Rural Commercial Bank Hosts Security Guards Training Meeting for the Second Half of 2024

In September 2024, Changshu Rural Commercial Bank held a training meeting for security guards to enhance their skills for the second half of the year. Over 100 security guards from various business outlets in Changshu attended, alongside representatives from the Changshu Public Security Bureau. During the meeting, senior managers emphasized the importance of security guards being thoroughly familiar with the location of one-click alarms in their outlets and mastering the operation of anti-riot and firefighting equipment. They also stressed the need for guards to effectively manage emergency situations according to established response plans, ensuring the seamless operation of bank branches. Professional instructors conducted demonstrations on the use of firefighting and anti-riot equipment, providing hands-on guidance to enhance the guards' operational skills.







The Bank has launched a comprehensive security management platform that features several functional modules, including safety inspections, closed-loop rectification, daily management, training assessments, monitoring reviews, warning reminders, and electronic registers. This platform enables full electronic management of security inspections, procedures, and emergency drills within the bank's security operations. The system allows for irregular audits of compliance with regulations across business outlets, thereby enhancing the overall efficiency of the Bank's safety management.

## Daily Work Safety Inspection at Changshu Rural Commercial Bank



Party Committee of the Bank Study the General Secretary's Instructions on Work Safety



Inspection of the Fire Control Center



Pre - National Day Inspection by Senior Managers of the Bank



Senior Managers of the Bank's Safety Inspection of Under-Construction Sites

Changshu Rural Commercial Bank is pioneering innovative models of emergency management by integrating fire protection and security measures. The Bank has established a comprehensive, multi-dimensional fire monitoring network that shifts the focus from liability after an incident to proactive early warning systems. By linking fire alarms with security monitoring videos, the Bank can promptly identify abnormal situations, quickly activate its emergency response plan, and significantly minimize potential losses and impacts.



### Case Emergency Evacuation Drill at Changshu Rural Commercial Bank's Headquarters in 2024

In June 2024, coinciding with Work Safety Month, Changshu Rural Commercial Bank organized a fire safety initiative. The drill simulated a real fire scenario, with guidance from experts from the Provincial Emergency Management Department. The Bank's emergency command system, which includes various teams such as the communication liaison group, firefighting and rescue group, evacuation guidance group, security cordon group, and comprehensive support group, effectively managed the situation according to their designated roles. More than 900 employees in the building were evacuated quickly and orderly to safety.



### Case Changshu Rural Commercial Bank Conducts Earthquake Emergency Plan Drill

In April 2024, Changshu Rural Commercial Bank executed an earthquake emergency plan drill. The exercise involved activating the Bank's comprehensive emergency response plan. Members of the building communication team informed all employees through the firefighting broadcast system, guiding them to evacuate in an orderly manner via the emergency stairs to designated open areas on the north and south sides of the building. This drill allowed the Bank to assess and enhance its emergency response processes, ensuring preparedness for various emergencies and prioritizing the safety of all employees.



### Case Changshu Rural Commercial Bank Conducts Emergency Drill for Sudden Incidents

In February 2024, the Administrative and Security Department of Changshu Rural Commercial Bank organized an emergency drill focusing on sudden incidents, such as water leakage from air-conditioning and fire-fighting pipes, as well as sump pit overflow in the basement. The drill simulated a scenario involving seepage from fire-fighting and air-conditioning pipes on the 5th floor of the headquarters building, aiming to prevent disruptions to normal operations. Following the drill, the Bank reviewed the findings to enhance its emergency response processes. This includes improving coordination among various emergency response teams and bolstering overall response capabilities, ensuring the continued normal operation of the headquarters building.







Occupational health examination coverage

100 %

Occupational health training sessions

9

Occupational health training duration

655.9 Hours

Occupational health training participants

255

## Occupational Health

Changshu Rural Commercial Bank rigorously adheres to regulations including the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Regulations on Work-Related Injury Insurance. The Bank has established five internal occupational health management policies that facilitate thorough assessments of occupational disease risks and implement effective prevention and control measures. This commitment ensures the ongoing enhancement of labor protection and occupational health within the organization.

### Occupational Health Management System of Changshu Rural Commercial Bank

Regulations on the Management of Staff Canteens at Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Three-Year Action Plan for the Comprehensive Enhancement of Security Measures at Jiangsu Changshu Rural Commercial Bank Co., Ltd. (2024-2026)

Interim Regulations for Fire Safety Management at Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Regulations for the Management of Security Operations at Off-Site Institutions of Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Operating Procedures for Safety Management at Business Outlets of Jiangsu Changshu Rural Commercial Bank Co., Ltd.

In April 2024, Changshu Rural Commercial Bank launched the Yanzhiju Staff Health Station, offering a range of physical therapy programs including treatments for cervical and lumbar spine disorders, traditional Chinese medicine bone setting, acupuncture, massage, and rehabilitation services. Throughout the year, the Health Station provided approximately 1,655 health services to employees.

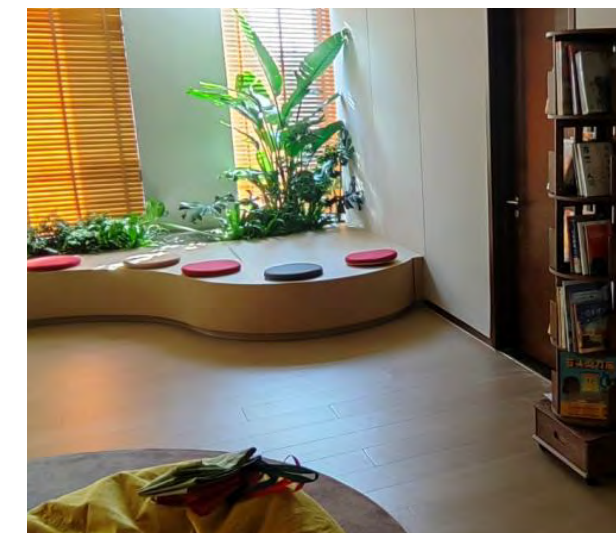
health services to employees

1,655



Recognizing the importance of mental well-being, the Bank unveiled its Staff Spiritual Harbor Rest Room in November 2024. Designed with a people-oriented approach, the space is equipped with comfortable, relaxing elements such as cozy sofas. The warm and inviting atmosphere encourages employees to unwind, manage work-related stress, and enhance their sleep quality.

The Bank's Psychology Association actively gathers feedback and suggestions from employees and has initiated the establishment of a book lending corner within the Spiritual Harbor. A collection of 40 psychology-related books has been acquired, and the lending service is available to all employees. Staff members can easily register and borrow books independently from the corner.

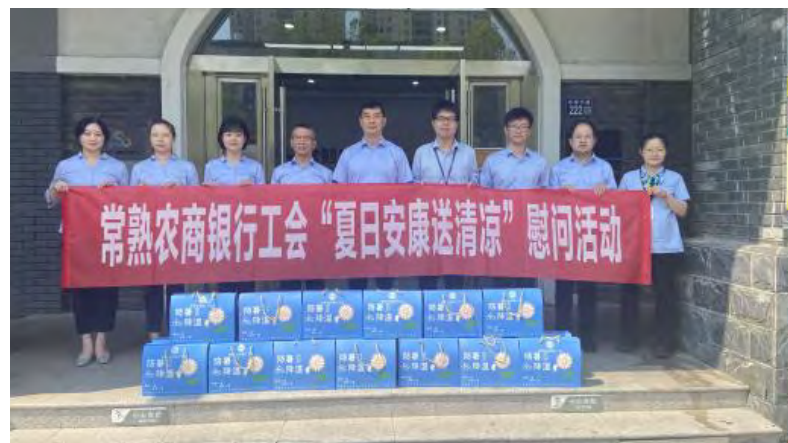


Staff Spiritual Harbor Rest Room at Changshu Commercial Rural Bank



### Case Changshu Rural Commercial Bank Launches “Cooling Relief for Well-being in Summer” Activity

In August 2024, Changshu Rural Commercial Bank initiated the Cooling Relief for Well-being in Summer activity, aimed at providing care and comfort to employees enduring the sweltering summer heat. During this initiative, senior managers visited frontline locations to personally distribute anti-heatstroke and cooling supplies to employees. The packages included practical items such as iced beverages, sunscreen, and essential balms, ensuring that employees could maintain their well-being and productivity in the high-temperature environment.



### Case Parent-Child Salon Organized by the Psychology Association

In August 2024, the Psychology Association at Changshu Rural Commercial Bank hosted a parent-child salon as part of the Feiyan Labor Union's initiatives. 15 families participated in this engaging event. The activity fostered improved emotional communication between employees and their children, creating an effective platform for parent-child interaction. Moreover, it provided an opportunity for children to engage in self-exploration and unleash their potential through various activities.







## Leading the Way in Public Welfare: Renewing Rural Communities

### Rural Revitalization

Changshu Rural Commercial Bank actively aligns with the initiatives set forth by the Jiangsu Provincial Party Committee and the provincial government regarding assistance and promotion for rural revitalization. With a profound sense of responsibility and mission, the Bank integrates Party-building efforts into the new framework of rural revitalization. The Bank not only prioritizes the provision of financial services but also emphasizes the importance of leveraging its organizational strengths and professional expertise to foster revitalization in rural areas. Furthermore, we are committed to supporting the coordinated development of the local economy and society. This commitment exemplifies the social responsibility and leadership of finance enterprises.

In collaboration with village banks, we hosted the Second Rural Special Cuisine Festival, utilizing a dual approach of online live streaming combined with official account reservations and offline sales through a coffee bar. During this festival, a selection of regional delicacies, including Enshi Tujia cured meat sets, Yunnan Xuanwei ham, and Lichuan water shield, was available for purchase. The event generated approximately 500 orders, totaling around 6,000 RMB.



In addition to the festival, we facilitate the collective purchasing of local specialties from the areas of village banks, transforming them into delicious meals served in the cafeteria of our headquarters. Notable dishes include Enshi small potatoes and braised cured meat.



Nanhua Village Bank is closely aligned with the policies regarding investment management banks and actively considers the needs of local farmers. It flexibly offers a range of products to address the diverse financial requirements of the community relating to food, clothing, housing, and transportation, ensuring that our financial services are warm and accessible. As of the end of December 2024, it supported 133 customers with rural housing construction loans, resulting in a loan balance of 15.03 million RMB.



the Bank's total charitable donations amounted

**7.9866** million RMB

### Donations

We are committed to upholding and promoting the volunteer ethos of dedication, fraternity, mutual assistance, and progress. By vigorously advancing public welfare and charitable initiatives, we embody core socialist values while strengthening our sense of social responsibility. Together, we strive to cultivate a harmonious and supportive environment, fostering a culture of unity and collaboration. In 2024, the Bank's total charitable donations amounted to 7.9866 million RMB.

In 2024, the Bank organized a special activity to honor the elderly during the Double Ninth Festival, presenting thoughtfully prepared cakes and gifts. This initiative conveyed our deep respect and best wishes for the senior community.



In March 2024, in response to the call for voluntary blood donations and to enhance the safety of the city's blood supply, the Bank's Volunteer Association mobilized employees to participate in a blood donation drive. On that day, a total of 10 employees generously donated blood, contributing more than 3,000 milliliters. This not only exemplified our corporate commitment to social responsibility but also reflected our dedication to serving the community with compassion and warmth.



### Case Changshu Rural Commercial Bank Charity Foundation

The Changshu Rural Commercial Bank Charity Foundation was established by Changshu Rural Commercial Bank with the mission of supporting socially vulnerable groups. In addition to providing crucial assistance, the foundation undertakes a variety of charitable public welfare projects, including educational support for students, teaching assistance, and environmental protection initiatives. The foundation also responds to major disasters by making emergency donations. In 2024, the foundation's total donation expenditure reached 2.947 million RMB, with 2.3259 million RMB provided in cash and 621,100 RMB in the form of materials.

the foundation's total donation expenditure reached

**2.9470** million RMB

provided in cash

**2.3259** million RMB

in the form of materials.

**621,100** RMB





## Project Cases Launched by Changshu Rural Commercial Bank Charity Foundation in 2024

### Lijin Student Assistance Fund

- The Bank continuously carries out the Swallow Student Assistance project. In accordance with the Swallow Student Assistance Plan, a targeted financial poverty alleviation and student assistance project formulated by the head office of Changshu Rural Commercial Bank, and with the strong cooperation of each grassroots Party branch of the Bank, this year, it completed the student assistance and support for impoverished college students in Changshu. The cumulative donation amount reached 224,000 RMB.

### Lijin Teaching Assistance Fund

- In celebration of the centenary of Changshu Middle School, the foundation donated 200,000 RMB to support the renovation of the school's student reading space, enhancing the learning environment of this prestigious institution.
- In the Anyang area of Henan, upon recommendation from Tangyin Xingfu Village Bank, the foundation donated 45 sets of ASUS desktop computers to Tangyin Zhengtong Road Primary School and 50 sets to Tangyin Experimental Middle School. The donation, totaling 211,800 RMB, established two "Xingfu Computer Classrooms," with naming rights granted to the foundation.
- In Yichang, Hubei, with support from Changyang Xingfu Village Bank, the foundation funded the construction of the "Xingfu Cultural Corridor" at Hejiaping Great Wall Junior Middle School. This project, valued at 200,000 RMB, aimed to enhance the school's internal pathways, ensuring safer and more convenient travel for students.

Additionally, on the recommendation of Neihuang Xingfu Village Bank, the foundation contributed 600 liftable desks and chairs to Neihuang County Gaodi No.1 Junior Middle School, valued at 114,000 RMB, to improve the school's teaching environment.



### Lijin Medical Assistance Fund

- The foundation continued its long-term commitment to the Xinyou Project, a provincial initiative providing free surgeries for children with congenital heart disease in impoverished areas. Hosted by the Second Affiliated Hospital of Nanjing Medical University, the foundation contributed 100,000 RMB this year to cover surgical costs and transportation subsidies for affected children.
- To further support medical and health services in underserved regions, upon recommendation by Nanhua Xingfu Village Bank, the foundation donated 300,000 RMB to Nanhua County Traditional Chinese Medicine Hospital. This donation supported the Comprehensive Treatment Area of the Acupuncture Outpatient Department, aiding the promotion of traditional Chinese medicine in the Yi ethnic area and providing essential care to local communities.



### Donations for Social Welfare Projects

- Committed to advancing social welfare, the foundation, upon the recommendation of the Changshu Charity Federation, donated 448,900 RMB to purchase a Yutong ZK6116H6Z1 medical vehicle for Changshu Traditional Chinese Medicine Hospital. The vehicle, named the Free Clinic Vehicle of Changshu Rural Commercial Bank Charity Foundation, will support public welfare and charity initiatives in the region.
- Additionally, the foundation contributed 600,000 RMB to the Changshu Charity Federation for the promotion of charitable culture. These funds will support publicity and outreach efforts to raise awareness of social welfare activities.



### Community Development

Changshu Rural Commercial Bank is committed to giving back to society by actively supporting local community development and contributing to the creation of civilized cities. The Bank encourages and empowers its employees to engage in various volunteer activities, with the goal of enhancing community safety and cultural awareness. Through these efforts, we aim to embody the responsible and accountable image of a finance enterprise.

In March 2024, our Volunteer Association partnered with the Grand Party Committee of Shimao Community, the Liushui Qinchuan Volunteer Association, and the Xinglong Community Health Service Center to host a volunteer service event. The initiative featured various volunteer activities, including fire safety awareness campaigns, financial literacy promotion, and accessible medical services.



Additionally, the Yanzhiju coffee bar in a subdistrict has provided employment opportunities for individuals with disabilities, fostering their integration into society and enabling them to realize their self-worth. This effort exemplifies our commitment to social responsibility and inclusivity.





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	Leading the Way in Public Welfare: Renewing Rural Communities	Article 38, Article 9 & Article 40	S4.2.1、S4.2.2、S4.3.1、S4.3.2、 S4.4.2
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Appendix II : Reader Comment Form		/	/





# Appendix II: Reader Comment Form

Respected readers:

Thank you for reading this report. We appreciate and look forward to your feedback. Your opinions and suggestions are important for us to continuously improve the our ESG information disclosures and promote our ESG management and practice. Welcome and sincerely thank you for your valuable opinions!

1. Your overall assessment of our ESG performance is:

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

2. Your overall assessment of this report is:

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

3. What do you think of our performance in communication with stakeholders?

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

4. What do you think of our performance in sustainability?

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

5. What do you think of our performance in green development?

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

6. What do you think of our performance in digitalization?

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

7. What do you think of our performance in social contribution?

☐ Excellent

☐ good

☐ average

☐ bad

☐ very bad

8. What are your opinions and suggestions for our ESG performance and this report?