



SUSTAINABLE, WONDERFUL

HUA XIA BANK CO., LIMITED

Social Responsibility Report 2022



2022

HUA XIA BANK CO., LIMITED

# Social Responsibility Report

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Scan the QR code for more information

S U S T A I N A B L E , W O N D E R F U L



Scan the QR code to watch  
image publicity film of the bank

## About This Report

### Reporting Scope

Reporting Period: Unless otherwise stated, the report covers the period between January 1 to December 31, 2022.  
Organizational Boundary: The report discloses the information of the Head Office and all branches and sub-branches of Hua Xia Bank.  
Release Cycle: This is an annual report. The most recent report was issued on April 30, 2022

### Preparation Basis

The report was prepared in accordance with the *Guidelines on Environmental Information Disclosure for Financial Institutions* issued by the People's Bank of China, the *Opinions on Strengthening the Corporate Social Responsibility of Banking Institutions* issued by former Banking Regulatory Commission (CBRC), the *Guidelines on Environmental Information Disclosure for Financial Institutions* issued by the People's Bank of China, and *Guidelines No.1 for Self-Regulation of Listed Companies- Standardized Operation* issued by Shanghai Stock Exchange (SSE), and referred to the *Principles for Responsible Banking (PEB)* issued by United Nations Environment Programme, *Guidance on Social Responsibility (ISO 26000:2010)* issued by International Organization for Standardization (ISO), *GRI Sustainability Reporting Standards (GRI Standards)* issued by Global Sustainability Standards Board (GSSB) and the *Recommendations of the Task Force on Climate-related Financial Disclosures*.

### Reference

For better readability, "Hua Xia Bank Co., Limited" is referred to as "Hua Xia Bank", "the Bank" or "We" in the report

### Data Sources

The financial data in the report come from the audited Annual Report 2022 of Hua Xia Bank Co., Limited and other data come from internal documents and statistics of Hua Xia Bank. Some contents and data can be traced back to previous years.

### Languages

The report is available in simplified Chinese and English versions. In case of any discrepancy, the simplified Chinese version shall prevail

### Formats

The report is available in both printed and electronic formats. The electronic version can be downloaded at our official website ([http:// www.hxb.com.cn](http://www.hxb.com.cn))

### Contact Information

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## Message from the Chairman



In 2022, the 20th CPC National Congress concluded successfully, marking a new milestone for the Party and the Country in the new era. Hua Xia Bank celebrated its 30th anniversary and rose to the rank of the top 50 world banks. This motivated our employees to strive towards greater heights in financial exploration to better serve national strategies, the real economy, and a better life. With national development as our ultimate aim, we gave play to the leading role of Party building and actively responded to the national calls to stabilize the economy for a paradigm of new developments. We also continued to serve the real economy with greater efficiency with more concerted efforts, as we achieve the tasks set out in the three-year action plan for SOE reform. We strive to fulfill our responsibilities as a state-owned financial enterprise for China's economic and social development to meet the people's growing expectations for quality financial services.

**We remained steadfast in our commitment as a financial player serving the real economy.** We improved the quality and efficiency of our services and are committed to high-quality development in our nation. We put in significant efforts and mobilized many financial resources to build Beijing into an integrated national center for political, cultural, international communication, and technological innovation. Meanwhile, we continued with our regional development strategies and deepened our differentiated regional development strategy of "Three Zones, Two lines, Multiple outlets". We placed our focus on setting up the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area as the pacesetters for development. By reinforcing and upgrading weak links in the industrial chain, we improved the quality and efficiency of our services to better support new-type infrastructure construction, manufacturing, strategic emerging, and other industries. We also actively integrated ourselves into the dual circulation of domestic and overseas markets to contribute to high-quality opening up.

**We focused on delivering high-quality services and hence expanded our scope of inclusive financial services.** To deepen our position as a financial service provider for small and medium enterprises (SMEs), we explored various development models for inclusive finance. By prioritizing product innovation and improving service quality, we implemented measures to alleviate the difficulties faced by SMEs and supported the stable long-term development of micro, small, and medium-sized enterprises (MSEs). These contributed to the stabilizing of the market and its entities. We also boosted personal consumption and supported projects that are vital to people's well-being. Services for "agriculture, rural areas, and farmers" were improved with enhanced allocation of financial resources to rural areas, thus promoting the rural vitalization. Such a wide coverage of financial services to anyone anywhere contributed significantly to the revitalization of the rural areas.

**We have taken the lead in innovation by enhancing our quality and services with technology.** To facilitate our digital transformation, we embraced the digital era with the development of the digital economy. We improved our digital infrastructure and

strengthened the integration of scenarios and ecosystems, which ensured our efficient and smart financial services are tangible and accessible. To enhance the ability of digital finance to serve the real economy, we innovated in our industrial digital system, FinTech, to meet the specific financial needs of different industrial ecosystems. Through digital transformation, we are able to meet the diversified needs of our customers and provide them with a high-quality financial service experience.

**We embraced wholeheartedly to safeguard and accelerate the development of green finance.** Seizing the opportunity presented by China's ecological conservation and the 30·60 Decarbonization Goal, we further drove innovation within our green financing. We transformed our credit structure and accelerated the development of a "climate-friendly bank", incorporating the ESG philosophy to create new features and advantages. In 2022, the growth rate of our green loans surpassed the average growth rate of all loans in our Bank. This proportion of green loans was also among the highest within the industry. We jointly issued a "Joint Declaration of the Banking Sector to Support Biodiversity Conservation" with China Banking Association, in support of building a community of life on Earth.

**We commit to honest operations for safe and steady development.** By adhering to prudent operation and risk management, we improved our long-term risk management mechanism, strengthened our risk prevention and resolution in key areas, with enhanced internal control. We reinforced our collective legal risk management to cultivate a clean workplace. We also accelerated the digitalization of our risk control system and fostered a culture of risk awareness to improve our overall control of risks. With such high-quality risk control and management, we facilitated stable operations to protect financial stability and security. Our strict adherence to customer protection requirements ensured better protection of their rights and interests.

We at Hua Xia Bank seize every moment, braving and riding the waves and the winds that come our way. As we embark on a new journey of building a modern socialist country in all respects, Hua Xia Bank remains committed to financial development with Chinese characteristics guided by the principles of the 20th CPC National Congress and aims to integrate political consciousness and a people-centered philosophy within our work. As an active contributor to high-quality development, we strive tirelessly to become a large and robust modern financial group with stable and outstanding performances. Our concerted efforts shall contribute to our Chinese modernization and national rejuvenation on all fronts.

### Li Minji

Party Secretary and Chairman of Hua Xia Bank

# About Us

## Company Profile

Hua Xia Bank Co., Limited was founded in Beijing in October 1992 and became a national joint-stock commercial bank after restructuring in March 1995. On September 12, 2003, the Bank went public on Shanghai Stock Exchange (Stock Code: 600015), with registered capital of RMB 15.387 billion.



Since its inauguration, the Bank has been forging ahead and made great achievements despite all difficulties. By the end of 2022, the Bank had a total asset of RMB 3,900.167 billion, 44 Tier-1 branches, 78 Tier-2 branches, 987 outlets in 122 cities at or above the prefectural level nationwide, and 39,938 employees, which had formed an institutional system of building presence in developed cities and reaching out to the whole country. The Bank has set up 1,189 agencies in and out of China, covering 305 cities in 98 countries on all five continents of the world. Its settlement network covers all major trade areas in the world.

Hua Xia Bank was ranked 46th in The Banker's top 1000 world banks ranking published in July 2022, in terms of Tier 1 capital. This was an improvement of five places from the previous year, signifying the Bank's position as one of the top 50 world banks.

## Corporate Governance

The Bank implements the concept of sustainability in corporate governance, advances modernized corporate governance, and continues to optimize governance structures, mechanisms, and policies. Under the leadership of the Party Committee, we have established a corporate governance structure mainly comprising of the Shareholders' Meeting, the Board of Directors (the Board), the Board of Supervisors, and the senior management. The Party Committee provides leadership, the Board is the decision-maker, the Board of Supervisors serves strict supervision functions, and the management is in charge of the operation.

### As of the end of 2022



### In 2022



**Development Vision**  
Innovative, coordinated, green, open and shared development

**Focus**  
Serving the real economy and creating value for customers and shareholder

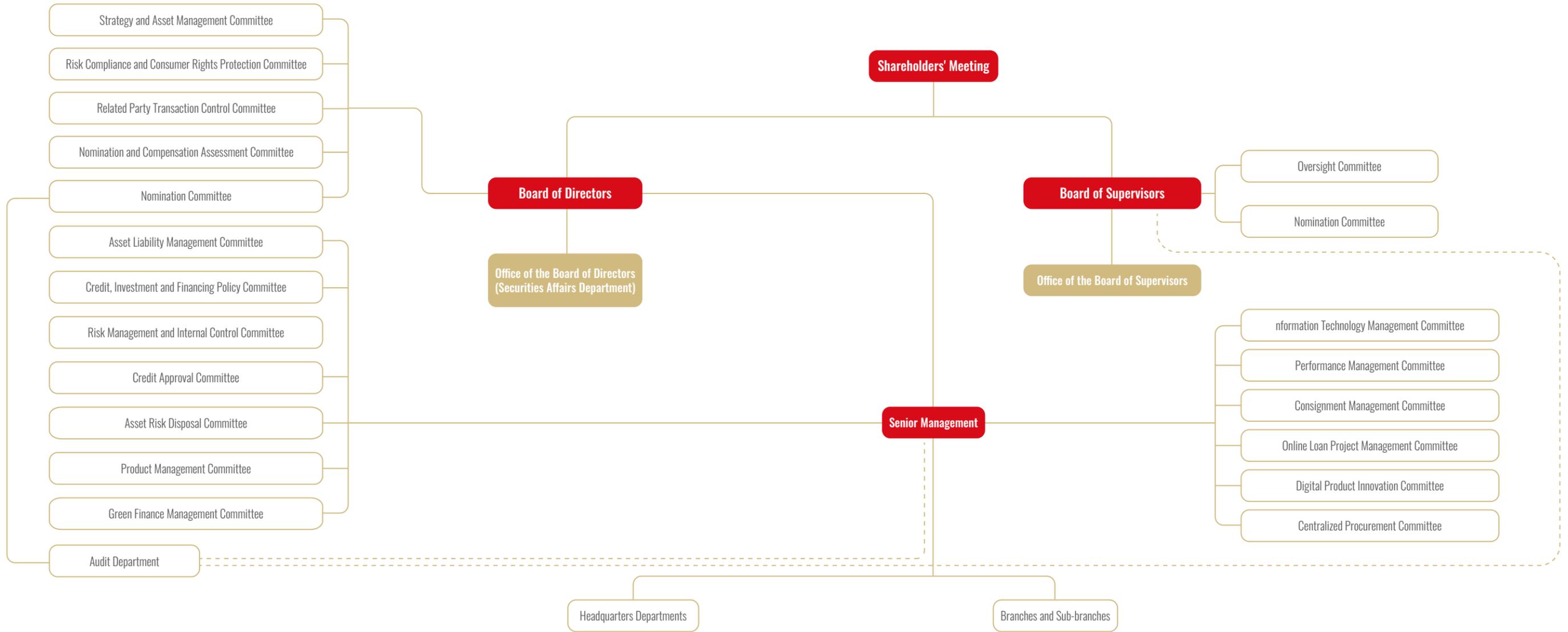
**Strategic Points**  
Taking deposits as the foundation, building the Bank's through FinTech and talents, and ensuring stable operation through risk control

**Basic Principles**  
Serving the overall interests of the country, staying market-oriented, following strategies, promoting reform and innovation, creating value, and developing strengths to making up for weaknesses

**Development Directions**  
Keeping to the direction of featured, digital, asset-efficient, specialized, comprehensive, and world-oriented development

**Corporate Development Vision**  
Strive to develop into a modern financial group that is "large and strong with stable and excellent performance"

## Branches and Sub-branches



## Investor Relations

To strengthen investor relations management, the Bank strictly implements the Working Measures of Hua Xia Bank Co., Ltd. on Investor Relations, and designated a dedicated investor relations manager under the Office of the Board of Directors to take charge of relevant work.

The Bank has promoted interactions and exchanges with investors and analysts through various channels and forms. We have organized

meetings and activities such as the Shareholders' Meeting and the performance briefing to showcase our results of high-quality development. We have won the Best Shareholder Relations Award in the Fifth China IR Annual Awards.

## Information Disclosure

The Bank abides by the regulations to improve the timeliness and effectiveness of information disclosure. We have formulated the *Administrative Measures for Information Disclosure* to standardize the information disclosure and reporting process. To enhance the depth and breadth of information disclosure, we have fulfilled information disclosure obligations via various channels, including *China Securities Journal*, *Shanghai Securities News*, *Securities Times*, *Securities Daily*, Shanghai Stock Exchange website, and the official website of Hua Xia

Bank. In 2022, we prepared and disclosed four regular reports and 64 interim announcements, informing investors of significant information such as changes in directors, supervisors, and senior management, as well as the operation of the Shareholders' Meeting, the Board of Directors and the Board of Supervisors, earnings guidance, profit distribution, the progress of refinancing, related party transactions, and asset purchases.

## Party Building as a Leading Role

In 2022

20

Issues of Party conduct and clean governance education

12

Posts of clean governance on WeChat

2

Training sessions on fighting corruption

9,000

Participants involved

63

Employees reported to the talent pool in 2022

Upholding the philosophy of exercising full and strict Party discipline, placing the Party's political building at the forefront, and arming ourselves with the Party's theories to effectively improve Party conduct, build a clean government, promote the high-quality development of Party building, and cultivate a positive and healthy intraparty political culture.

### Studying and implementing the guiding principles of the 20th CPC National Congress

We hold meetings to deploy and promote the studying of the guiding principles from the 20th CPC National Congress, uphold the highest standard, with the aim of gaining a deep understanding of the decisive significance of establishing Comrade Xi Jinping's core position on the Party Central Committee and in the Party as a whole, as well as the guiding role of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We organize Party organizations at all levels, coordinate Party officials, and employees to carry out special training and study the guiding principles of the key speech. We have issued briefings to fulfill publicity work so that the guiding principles are thoroughly studied and implemented, and coordinated primary-level Party branches to carry out the Party Day events to promote the high-quality development of the whole bank.

### Strengthening ideological and political building

We have intensified our efforts to strengthen the ideological and political building of the leadership team and established a dedicated study plan. We have enhanced the accountability system for ideological work, implemented the "1+1+N" system for ideological and publicity work, and conducted investigations into ideological risks. We have launched initiatives to promote a civilized society, established a "Volunteer of the Capital" image, and promoted high-quality Party building through the integration of theory and practice.

### Stepping up efforts to improve Party conduct

In strict compliance with the central Party leadership's eight-point decision on improving work conduct and instructions of the Municipal Party Committee, we continue to crack down on formalities, bureaucracy, hedonism, and extravagance. We have formulated the Measures for Strengthening the Building of a Clean Financial Culture, held education conferences to instill the importance of honesty and integrity among our staff. In addition, we have strengthened the assessment of full and rigorous discipline over the Party and conducted complete inspections to ensure that we fulfill our due responsibilities.

### Strengthening the building of a talent team

We remain committed to improving the political capacity and specialized skills of the talent team, deepening the construction of the talent training system, optimizing the incentive and restraint mechanism, and improving market-based competitive selection. We have organized talent pool recruitments to invigorate more talents.

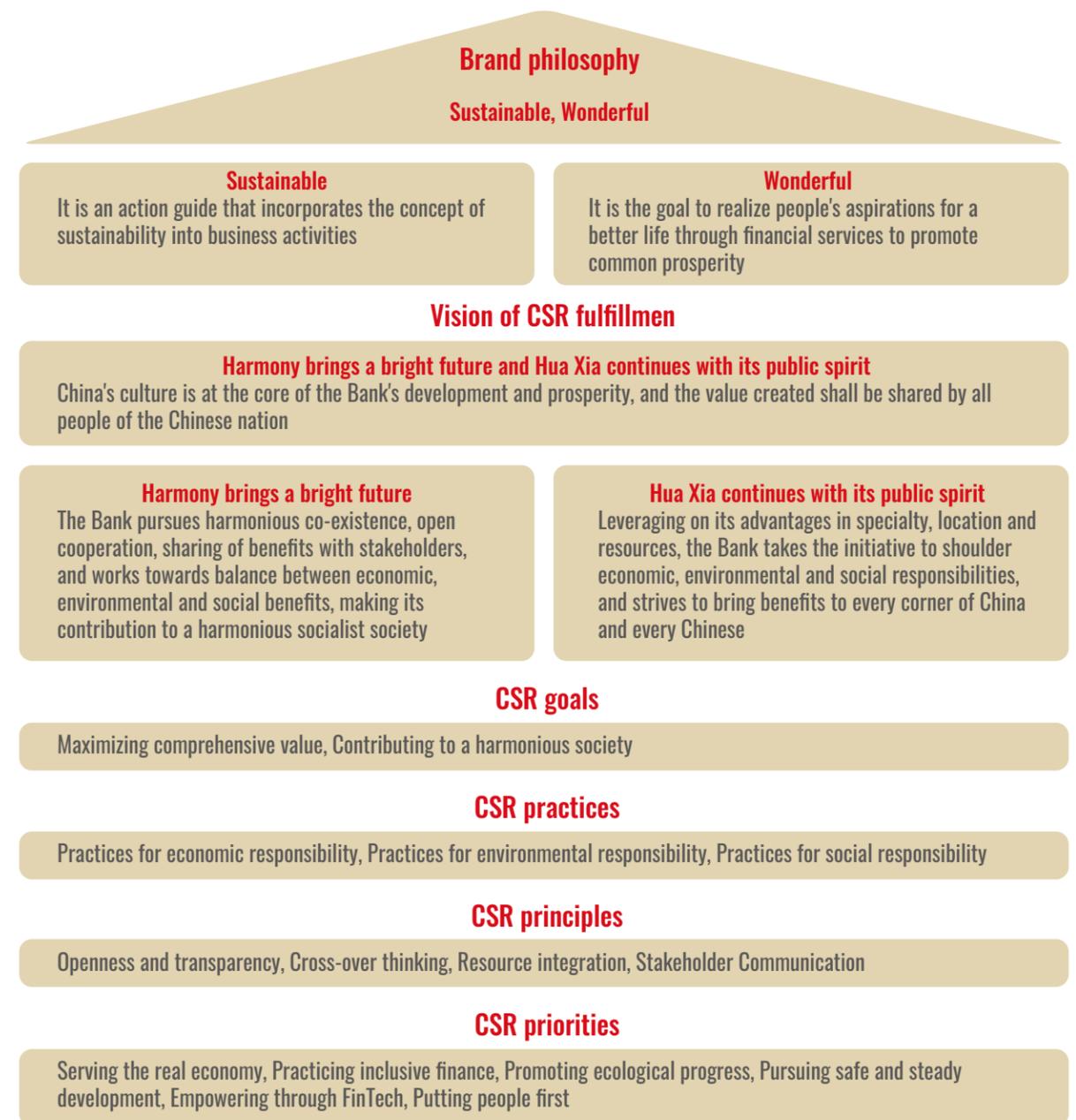


Ningbo Branch carries out the theme Party Day events

## CSR Management

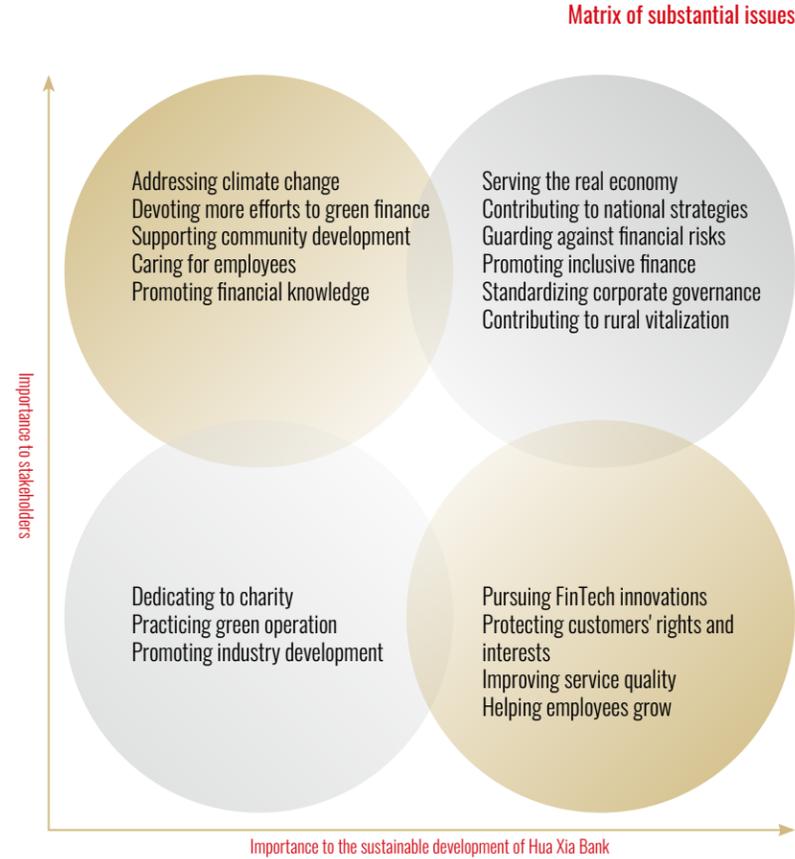
As one of the initial signatories to the Principles for Responsible Banking issued by the United Nations Environment Programme and a strong supporter of the Task Force on Climate-related Financial Disclosures (TCFD), we uphold our brand philosophy of "Sustainability for a Better Future" under which we prioritize achieving sustainable operations to maximize our economic, environmental, and social values. The Head Office takes the role to manage CSR affairs. Our CSR management architecture the management performance continues to improve. With outstanding CSR practices, we aim to realize the vision of "harmony brings a bright future and Hua Xia continues with its public spirit" while striving to develop into a modern financial group that is large and strong with stable and excellent performance.

### CSR Philosophy



## Analysis of Substantial Issues

We prioritize the interests of our stakeholders and continue to identify, assess, screen, and update related issues. We prioritize issues based on two dimensions: the importance of sustainable development to Hua Xia Bank and the importance to stakeholders. Through this process, we identify substantive issues that are important to both Hua Xia Bank and its stakeholders.



## UN SDGs

In September 2015, the United Nations Sustainable Development Summit adopted the 2030 Agenda for Sustainable Development. The agenda covers 17 Sustainable Development Goals (SDGs), pointing out the direction for countries and enterprises globally to promote sustainable development. Focusing on the vision of building a modern financial group that is large and strong with stable and excellent performance, the Bank evaluates from two dimensions of materiality and importance, distinguishes 9 core goals and 8 related goals, and devotes resources to core targets to realize sustainable development goals.



## Stakeholder Communication

Stakeholder	Core Expectations	Main Response
<b>Government</b>	<ul style="list-style-type: none"> <li>Serving the real economy Supporting national strategy</li> <li>Developing inclusive finance</li> <li>Supporting rural vitalization</li> <li>Paying tax in full according to law</li> </ul>	<ul style="list-style-type: none"> <li>Serving coordinated regional development</li> <li>Supporting the growth of private micro- and small-sized enterprises</li> <li>Supporting China's opening-up</li> <li>Advancing rural vitalization</li> </ul>
<b>Regulatory authorities</b>	<ul style="list-style-type: none"> <li>Compliance</li> <li>Strict risk management</li> </ul>	<ul style="list-style-type: none"> <li>Implementing regulatory policies</li> <li>Receiving supervision</li> <li>Strengthening risk prevention</li> </ul>
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Improving corporate governance</li> <li>Ensuring sustained and stable return</li> <li>Protecting shareholders' rights and interests</li> <li>Achieving transparent operation</li> </ul>	<ul style="list-style-type: none"> <li>Improving corporate governance</li> <li>Realizing stable operation</li> <li>Creating values for shareholders</li> <li>Strengthening information disclosure</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>Focusing on climate change</li> <li>Facilitating green development</li> </ul>	<ul style="list-style-type: none"> <li>Developing green finance</li> <li>Promoting green offices</li> <li>Participating in eco-friendly public activities</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Safeguarding customer rights</li> <li>Improving customer experience</li> <li>Accelerating product innovation</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the protection of consumer rights</li> <li>Providing high-quality and efficient services</li> <li>Enhancing financial innovation</li> <li>Advancing digital transformation</li> </ul>
<b>Partners</b>	<ul style="list-style-type: none"> <li>Fairness and transparency</li> <li>Contract fulfillment with integrity</li> <li>Win-win cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening exchanges and cooperation</li> <li>Improving procurement management</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Protection of rights and interests</li> <li>Remuneration and benefits</li> <li>Working environment</li> <li>Career development</li> </ul>	<ul style="list-style-type: none"> <li>Protecting the basic rights and interests of employees</li> <li>Facilitating career development channels</li> <li>Providing job skills training</li> <li>Carrying out diverse cultural and sports activities</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Financial knowledge popularization</li> <li>Support for community development</li> <li>Engagement in public welfare undertakings</li> </ul>	<ul style="list-style-type: none"> <li>Publicizing financial knowledge</li> <li>Participating in charitable activities</li> </ul>

## CSR Honor

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The Green Credit Committee of China Banking Association  
**Advanced Unit of Green Bank**

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China Banking Association  
**2022 “Inclusive Finance” Good News Award**

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China Financial Certification Authority (CFCA)  
**Best Business Innovation Award of Digital Finance**

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China Digital Finance Forum  
**Technology Application Scenario Innovation Award of China Financial Industry**

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China Banking and Insurance News  
**Golden Commitment • China Financial Annual Excellent Social Responsibility Project - “Experience the Charm of Green Sustainability with Us” 2021 Sanitation Workers’ Children Growth Plan**

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Securities Daily  
**2022 Digital Economy Pioneers Summit - Digital Transformation of Listed Companies • Case of Excellent Application Products**

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china.com  
**Outstanding Case of Corporate Governance in the Banking Industry in 2022**

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Trade Finance  
**12th Golden Trade Award - Best Trade Financing Bank**

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Beijing Evening News  
**Outstanding Contributions to Green Finance**

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21st Century Business Herald  
**2022 Brand Building Bank**

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The Economic Observer  
**The 11th Outstanding Financial Enterprise - Annual Outstanding Social Contribution Bank**

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Sina  
**Bank for Responsible Investing of China ESG Golden Award 2022**

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Hexun  
**Annual Social Responsibility Pioneer Bank of the 20th Financial List**

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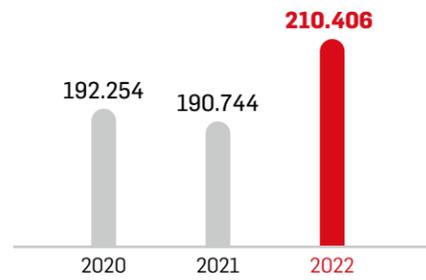
National Business Daily  
**The 13th Golden Tripod Awards-Annual Inclusive Finance Award**

## CSR Performance

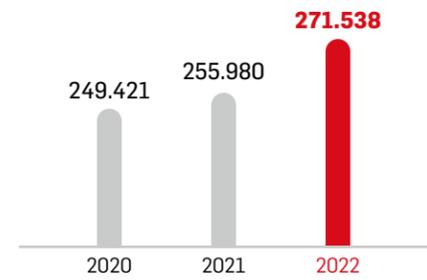
### Economic



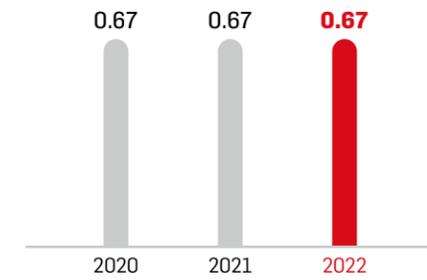
**Balance of loans in support of manufacturing industry** Unit:RMB billion



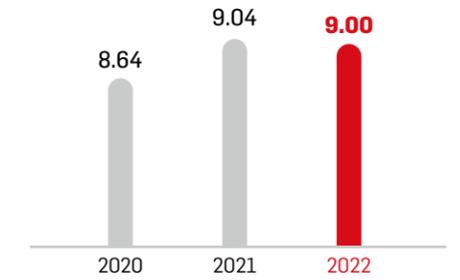
**Balance of agriculturerelated loans** Unit:RMB billion



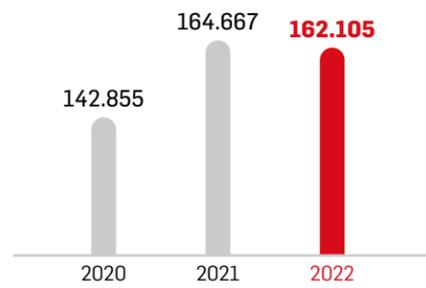
**ROA** Unit:%



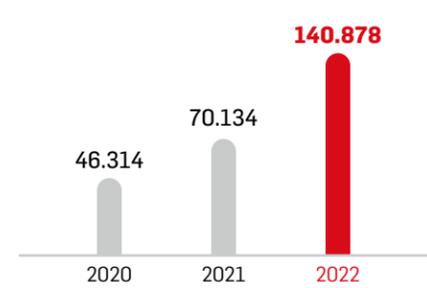
**ROE** Unit:%



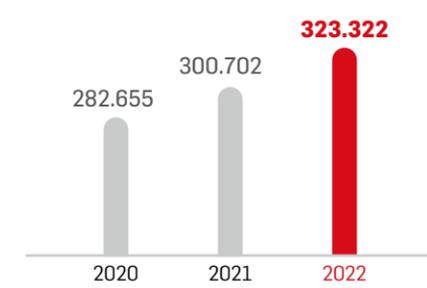
**International settlement** Unit:Dollar billion



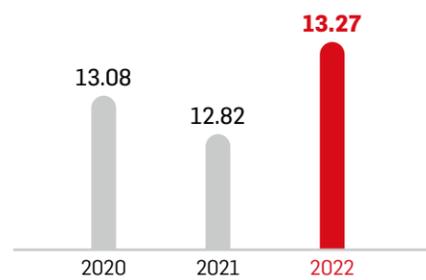
**RMB cross-border settlement** Unit:RMB billion



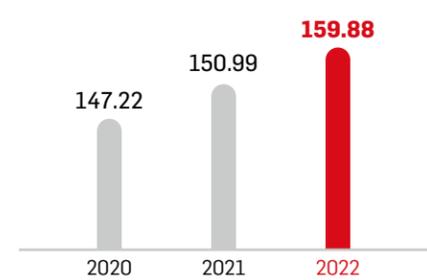
**Shareholder equity** Unit:RMB billion



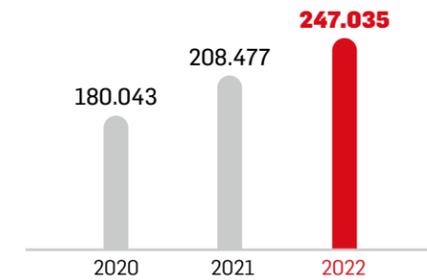
**CAR** Unit:%



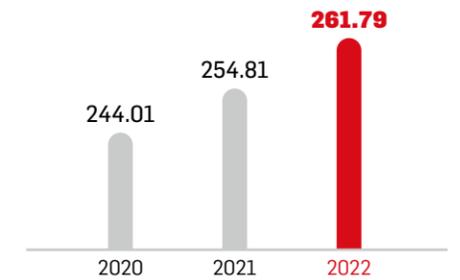
**Allowance-to-NPL ratio** Unit:%



**Balance of green loans<sup>①</sup>** Unit:RMB billion

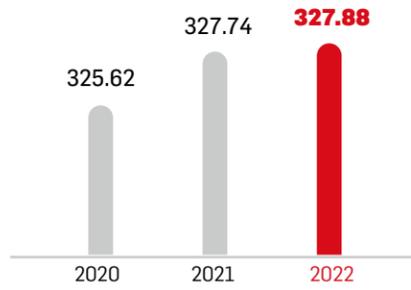


**Number of ETC cards users** Unit:10,000

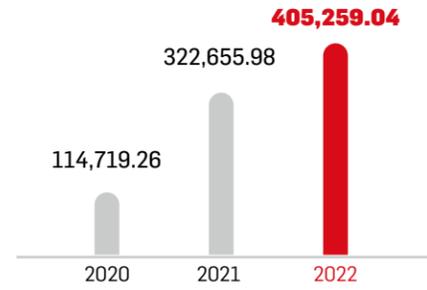


**Environmental Performance**

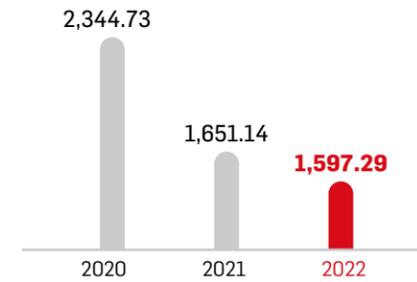
**Number of ETC cards** Unit:10,000



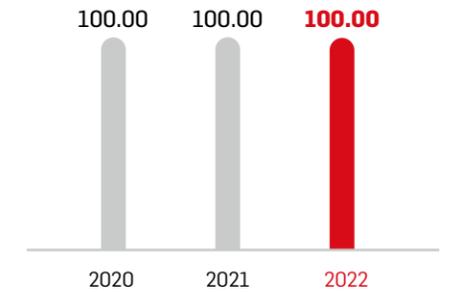
**Number of e-transactions** Unit:10,000



**Number of online personal banking transactions** Unit:10,000



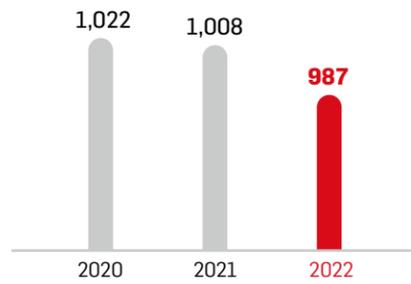
**Settlement rate of complaints lodged through 95577 customer service center** Unit:%



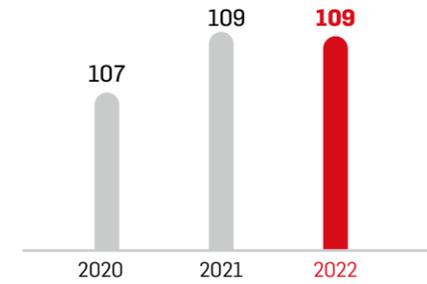
The data of green loan balance in 2020 was based on the Special Statistics System of Green Loan revised by the People's Bank of China in December 2019

## Social Performance

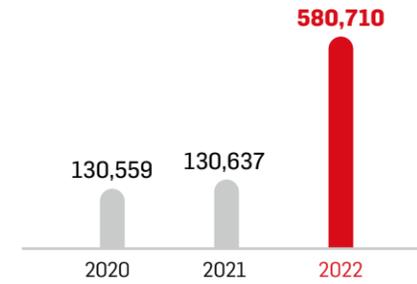
**Number of outlets** Unit:/



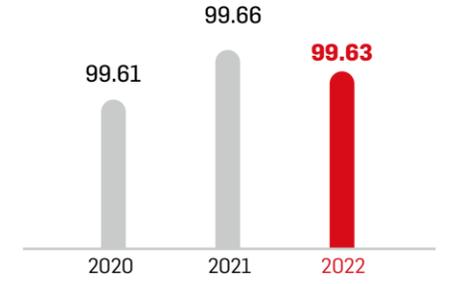
**Number of rural outlets** Unit:/



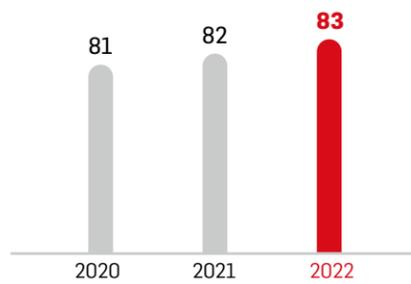
**95577 call-backs** Unit:/



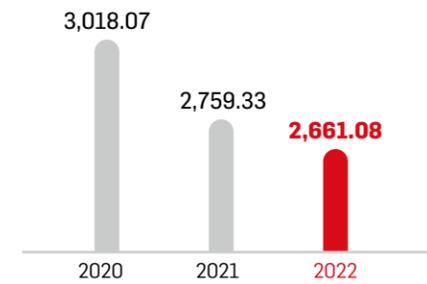
**Customer satisfaction rate for 95577 customer service center** Unit:%



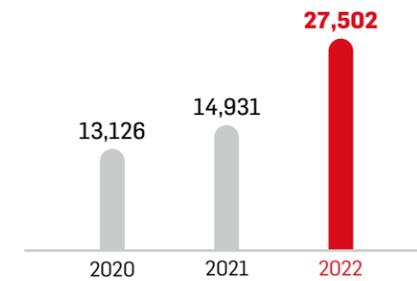
**Outlets in old revolutionary base areas, areas inhabited by ethnic minority groups, remote and border areas and povertystricken areas** Unit:/



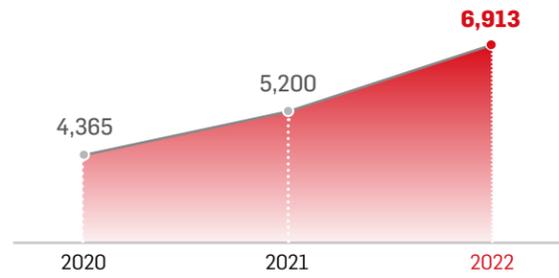
**Number of online corporate banking transactions** Unit:10,000



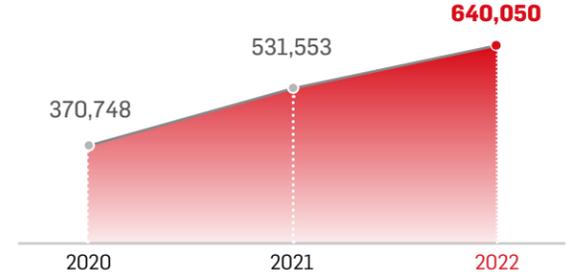
**Complaints and problems solved through the joint handling mechanism of the 95577 customer service center** Unit:/



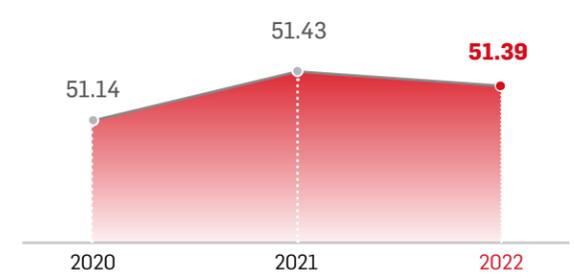
**Number of employee training sessions** Unit: /



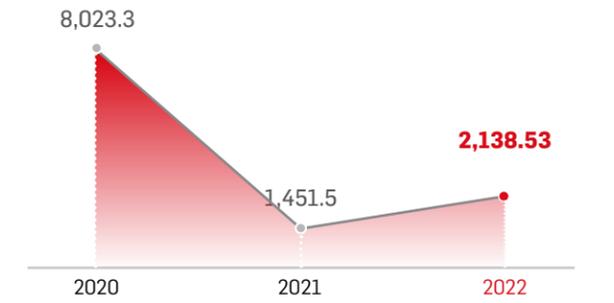
**Number of participants of employee training sessions** Unit: /



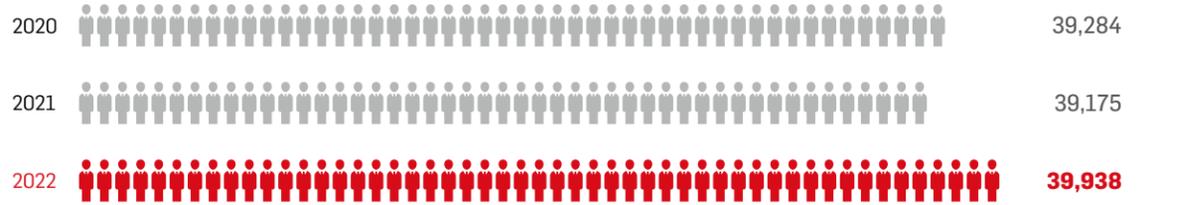
**Percentage of female employees** Unit: %



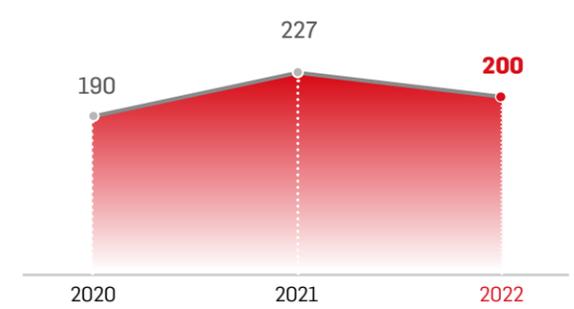
**Total charitable donations** Unit: RMB 10,000



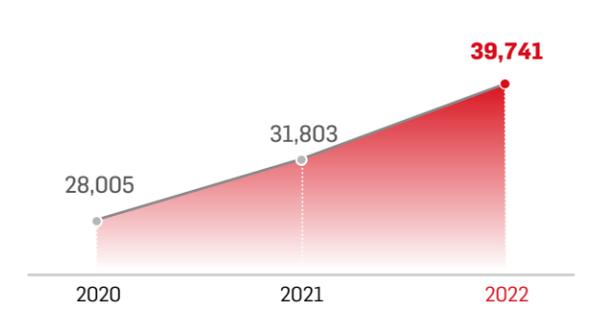
**Total number of employees** Unit: /



**Number of legal training sessions** Unit: /



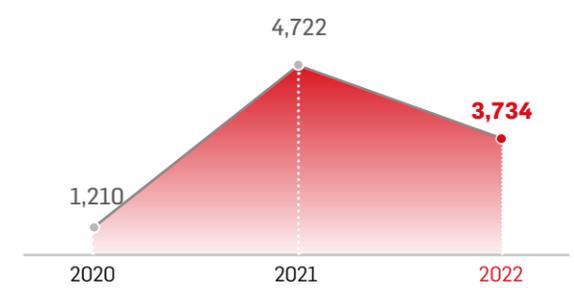
**Number of participants of legal training sessions** Unit: /



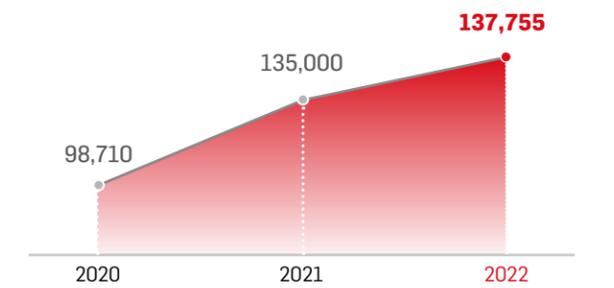
**Total number of employees from ethnic minority groups** Unit: /



**Number of AML training sessions** Unit: /



**Number of participants of AML training sessions** Unit: /



| SPOTLIGHT |

## Forging ahead in Three Decades to Strive for a New Hua Xia with One Heart

As a state-owned financial institution founded in the era of reform and opening up, Hua Xia Bank is committed to the customer-centered business philosophy and fulfilling its mission of utilizing financial services to serve the real economy. By aligning with the national strategy and collaborating closely with stakeholders, we have embarked on a sustainable development path with our own characteristics.



# Three Decades of Dedication

**We launched new practices to develop a national joint-stock commercial bank.**

Hua Xia Bank was established in the spring of 1992 as a wholly-owned subsidiary of the Shougang Group. The Bank was entrusted with the important mission of serving as a demonstration unit for China's financial reform and played a key role in building a socialist market economy with Chinese characteristics. While pursuing greater opening up, Hua Xia Bank strived to build itself into a modern commercial bank.

1992

In 1992, during a visit to Shougang Group, Comrade Deng Xiaoping expressed his support for building a subsidiary bank. Zhu Rongji, then Vice Premier of the State Council, also visited and encouraged the construction of Hua Xia Bank.

Li Peng, then Premier of the State Council, attended the ribbon-cutting ceremony for Hua Xia Bank.



1995

In 1995, Hua Xia Bank held its founding assembly and first general meeting of stakeholders at the Great Hall of the People. During this meeting, the Bank underwent joint-stock reform to modernize and commercialize its operations.



2001

At 15:48, May 17, 2001, Hua Xia Bank completed its first online business, marking the beginning of its Internet era.



2002

In 2002, the first CPC Congress of Hua Xia Bank was held in Beijing.



**We step into a new era where the reform- and innovation-driven development of listed banks remains our priority.**

Since 2003, Hua Xia Bank has been actively implementing a series of major decisions and arrangements of the CPC Central Committee and State Council to optimize the socialist market economy system. Our unwavering focus on stable operations, standardized management, and pursuit of higher quality, efficiency, speed, and architecture have enabled us to facilitate public trading, and international expansion, thus promising a modern commercial bank with impressive comprehensive strengths and unique brand features.

2003

On September 12, 2003, Hua Xia Bank made its initial public offering by issuing ordinary shares worth RMB 1 billion and became the fifth listed bank in China, with its shares listed on the Shanghai Stock Exchange (600015).



2005

In 2005, Hua Xia Bank attracted international strategic investors and signed an Agreement on Long-term Comprehensive Strategic Cooperation with Deutsche Bank in Berlin, Germany. This significant event was witnessed by Hu Jintao, then State President and General Secretary of the CPC Central Committee, and Horst Köhler, then German President.



**We have entered a new era where we strive to build Hua Xia Bank into a modern, large and strong financial group with stable and excellent performance.**

Since 2017, the Bank has been committed to the guiding principle of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and practicing the new development philosophy in a complete, precise and comprehensive manner. We focus on serving the real economy, preventing financial risks, and promoting financial reform. With the goal of building ourselves into a modern, large and strong financial group with stable and excellent performance, we redouble effort to move from quality development to high-quality development.

2017

In 2017, the Bank established Anxin Branch, the first financial agency in Xiong'an New Area since the Area was set.

2019

In 2019, Hua Xia Bank became the first commercial bank to join the Principles for Responsible Investment Association (PRI), one of the 130 signatories to the Principles for Responsible Banking issued by the United Nations Environment Programme and a diamond partner in a series of winter sporting events of the "Experience Beijing" program.

2020

From 2017 to 2020, the Bank provided paired-up assistance for poor counties in Inner Mongolia, Xinjiang and Qinghai that were designated to Beijing, investing RMB 1.06 million in targeted poverty alleviation and helping 195,000 people in difficulty and enabling them to register in the national poverty alleviation network.



2014

In 2014, the first debit card themed on the coordinated development of the Beijing-Tianjin-Hebei region was specifically issued in China as part of our efforts to support the initiative.



2016

In 2016, we successfully undertook the Innovative Financing Project for Atmospheric Pollution Control in the Beijing-Tianjin-Hebei Region from the World Bank, which was then the World Bank's largest single loan project in China.



China Renewable Energy and Battery Energy Storage Promotion Project of the World Bank undertaken by the Bank came into force.



2021

In 2021, the Bank became a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) and signed the Common Action Plan for Banking Sector to Support Biodiversity Conservation issued by China Banking Association. We also joined the Biodiversity Finance Initiative (BIOFIN) and put forward the brand concept of "Sustainability for a better future".



股票代码: 600015 客服电话: 95577 www.hxb.com.cn



2022

In 2022, Hua Xia Bank, 46th in the Tier1 Capital ranking, was first listed among the Top 50 of "The Top 1000 World Banks" ranking published by the Banker.



On December 28, the Ceremony Marking the 30th Anniversary of Hua Xia Bank was held in Beijing. The participants witnessed the glorious history of Hua Xia Bank and embarked on a new journey together.

**Advances in Party Building**

We follow the unified guidance of the Party on the financial sector while integrating the Party leadership in the modern business architecture and our operation and development. In 2017, we placed great importance on both Party building and corporate growth. We firmly believe in the overall Party leadership of Hua Xia Bank and strive towards the goal of building a modern financial group that is "large and strong with stable and excellent performance".

**Higher quality and efficiency of serving the real economy**

With national development being our ultimate aim, we act in compliance with major national strategies to fulfill the due mission and responsibility we carry as a financial institution, better serving the country in a new era. Our brand concept of "Sustainability for a better future" reflects our commitment to serving the national strategy for regional development by mapping out the layout for "three regions, two lines, and several spots" and developing comprehensive finance, science and innovation-driven finance, and green finance. By doing so, we aim to improve the quality and efficiency of real economic finance, provide intensive support for rural vitalization, and underpin high-quality national social and economic development.

**Support for Upgrading through Financial Reforms**

To align with the reform and opening up, we continue to optimize our business structure through major actions, including joint-stock reform, listing and attraction of foreign investment. Our focus is on serving market-oriented development, inheriting corporate strategy, driving innovation, and creating value. We leverage our strengths while mitigating our weaknesses and always keep the bigger picture in mind. Furthermore, we employ integrated financial services to consolidate our corporate banking services and foster new drivers for digital and retail businesses and new features for green finance and wealth management.

**Remarkable Achievements in Risk and Compliance Management**

We proactively respond to dynamic changes in both internal and external risks with effective prevention measures. Our asset quality management is implemented effectively across the entire cycle, involving industry selection, customer access, product design and service mode to realize the full-lifecycle management of asset quality based on better risk governance system and avoid potential risks. We have established a compliance management structure at the Group level and continuously strengthen internal control and compliance management. The audit system reform has been implemented to further improve internal audit system.

**Improved Integrated Management and Corporate Structure**

Over the past 30 years, Hua Xia Bank has grown into a national joint-stock commercial bank with unique features, a competitive edge, and quality service. We keep developing integrated management to provide customers with integrated financial services such as deposit and loan, investment banks, trade finance, consumer finance, etc. We also prioritize making progress in the coordinated development of financial businesses, asset management, and asset custody. We continuously improve our service channels, and have established a full-channel service system that covers the whole country, centers on economic central cities, and connects the whole world.

**The official mascot “RICH” of Hua Xia Bank unveiled**



Scan to review the press conference

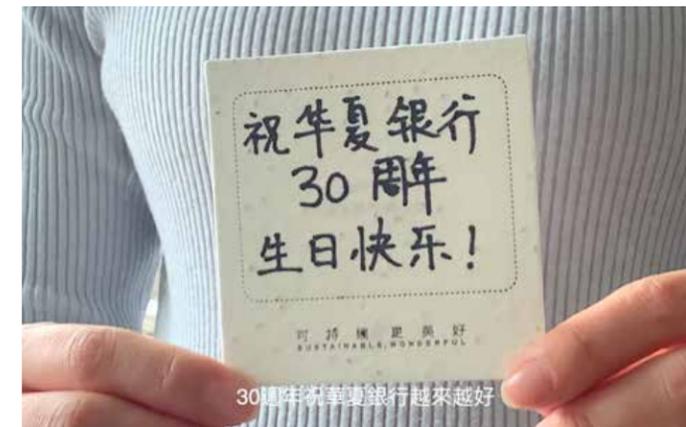
On October 18, 2022, Hua Xia Bank’s mascot was unveiled in Beijing, marking the first time in the Bank’s history that the company has introduced a mascot representing its brand image called “RICH”. Li Minji, Party Secretary and Chairman of the Bank, delivered a speech at the press conference held in the lobby on the first floor of the Head Office Hua Xia Bank. He, together with Wang Mingtan, Deputy Party Secretary and Chairman of the Board of Supervisors of the Bank, hung the brand logo of Bank on “RICH”, introducing the mascot, which holds the vision and carries the meaning of prosperity and auspiciousness, to the guests on site. The three-day event was a joyous occasion where the Bank’s leaders and employees got together to celebrate this momentous moment.



Bank officials take photos with staff of the press conference of mascot RUIQI

**A series of activities to celebrate the 30th anniversary of Hua Xia Bank**

As Hua Xia Bank celebrates its 30th anniversary, we organized a series of brand publicity activities themed “Striving for a Better Future” throughout the year where we communicated with different stakeholders including the government, regulators, shareholders and investors, customers, partners, employees, social media, the public and communities and shared the joy of growth. The Bank will proceed with its journey to sustainable development on the new path it has blazed.



Scan to know more our wishes



In January 2022, we organized employees to join in the campaign of “Make Wishes for a Better Future – Support for Sustainable Development”. Nearly 300 employees participated in the first celebration to mark the 30th anniversary of Hua Xia Bank.



Scan to review the event



The six-day event themed “Three-decade Endeavor to Build a New Future with One Heart”, was held on 2022 China International Fair for Trade in Services. The event witnessed near 10,000 attendees who interacted with each other and took photos to share the joy for the 30th anniversary of Hua Xia Bank.



RICH

The prototype of the mascot “RICH” is the mythical beast in traditional Chinese culture - Qilin. It combines the traditional cultural features of the Chinese nation with modern aesthetic characteristics, reflecting auspicious blessings implied in traditional Chinese culture. As a state-owned financial enterprise, built on the strengths of Chinese traditional culture, the Bank is exploring new ways in which traditional Chinese culture can be transformed and developed creatively and revitalized through the spirit of the times. The mascot “RICH” serves as a bridge and link for Hua Xia Bank to deliver financial services to customers.



Scan to watch how the RICH was born



Scan to know more our wishes



In September, the key visuals to celebrate the 30th anniversary of Hua Xia Bank were released.



Scan to see employees' growth.



The Bank's publicity film "Be a Better Self" was released, which in the perspective of new hires showed the Bank's care for staff that drives their growth through setbacks and obstacles.



Scan to listen to the song.



The music video of our original song "Be Your Hero" was released. Sung by employees of Hua Xia Bank, the lyrics expressed their gratitude for each other's company in the Bank's three-decade development, reviving the touching moments between staff and customers.



Scan to relay together



The "Hua Xia in Rhythms" campaign was launched to gather the best wishes of staff from 44 branches nationwide for the 30th anniversary of the Bank.



Scan to review video



We held "You make Hua Xia Better" photo competition that centered on the development history of Hua Xia Bank. Based on three topics of "stories of time", "sincere services" and "Hua Xia moments", we collected 22,944 exquisite photographs from all walks of life, which showed the monumental moments of Hua Xia Bank in its three decades.



Scan to see the highlights



The "History of Hua Xia" was drawn by hand for stakeholders to review the Bank's three-decade development.



Scan to listen to the story of Hua Xia



The 10,957 days of growth since the Bank's establishment owe much to the hard work of generations of Hua Xia staff who seek to make Hua Xia better with customers. Employees and customers were invited to share their indelible experience in "Stories with Hua Xia" event.



Scan to watch the series of activities to mark the 30th anniversary of the Bank

The "Promotional Video for the 30th Anniversary of Hua Xia Bank" was released, showcasing the Bank's dedication to reform, Party leadership, founding aspiration, and inclusive finance, as well as the efforts in risk control and innovation. It pays tribute to those who have grown with the Bank for thirty years.

## A New Journey to Glorious Dreams

**Turning 30 marks maturity, greater responsibilities and the beginning of a better future.** The 20th CPC National Congress marked the beginning of a new journey towards achieving the great rejuvenation of the Chinese nation through the path of Chinese modernization. It provided a clear direction for Hua Xia Bank to achieve high-quality development and served as fundamental guidance for financial development with Chinese characteristics.

We will remain committed to our founding principles and continue to move forward. As we embark on a new journey, Hua Xia Bank will adhere to the financial requirements of the Chinese path to modernization, fully implement the new development philosophy in a comprehensive, accurate, and systematic way, and strive to integrate ourselves into the new development paradigm. Our ultimate goal is to become a key contributor to social and economic development. We will work tirelessly towards achieving our corporate mission and contribute to building a modern socialist country in all aspects, while also creating new milestones in the history of Hua Xia Bank.



# SERVING THE REAL ECONOMY UNDER the Guidance of Our Original Aspiration

Guided by major national strategies, Hua Xia Bank actively integrates into the new development pattern of the capital. Our approach is guided by the regional development strategy of "Three Zones, Two Lines, Multiple Outlets" with a focus on the Beijing-Tianjin-Hebei region, Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area as key areas. Our goal is to support the transformation and upgrading of the manufacturing industry, support China's high-quality transformation of industries and serve its opening up to the world. We remain committed to making contributions to the high-quality development of the real economy.

## Sustainability practices

- Serving major national strategies and promoting coordinated development of key regions
- Making every effort to build Beijing into the national political, cultural, international communication and technological innovation center and providing stronger financial support for the development of key fields in the capital
- Increasing support for the manufacturing industry to drive transformation and upgrading of the industry
- Introducing innovative trade finance products in response to the Belt and Road Initiative

As of the end of 2022

**RMB 560.897** billion

Balance of loans issued in the Beijing-Tianjin-Hebei region

**RMB 661.87** billion

Balance of loans issued in the Yangtze River Delta

**RMB 242.127** billion

Balance of loans issued in Guangdong, Hong Kong, and Macau

**RMB 104.587** billion

Balance of loans issued to strategic emerging industries

**626**

Correspondent banks opened in BRI markets

In 2022

**RMB 300.265** billion

Investment and financing services for Beijing



## Facilitating the Development of National Strategic Development

Hua Xia Bank is dedicated to serving the strategic needs of the nation and actively contributes to the development of Beijing as the national political, cultural, international communication and technological innovation center. In addition, we strive to support the Beijing-Tianjin-Hebei region, the Yangtze River Delta region, and Guangdong, Hong Kong, and Macau in becoming new highlands for development. Through the formation of a collaborative and coordinated development pattern covering "Three Zones, Two Lines, Multiple Outlets," and we have taken measures to support the high-quality development of the real economy.

### Serving the overall development of the capital

Hua Xia Bank resolutely fulfills its responsibilities and missions. In line with this, we have formulated the *Hua Xia Bank 2022 Work Plan for Serving the Economy in the Capital and Coordinated Development of the Beijing-Tianjin-Hebei Region*. The plan is designed to advance the development of Beijing as the national political, cultural, international communication and technological innovation center, and provide financial support for the capital's economic development, technological innovation, cultural prosperity, international exchanges, among other key areas. By doing so, we are paving the way for the capital's high-quality development.

### Supporting economic development

Focusing on key areas of the capital's economic development, the Bank continues to promote the R&D of innovative products and services. We aim to increase financial support for key enterprises and projects, strengthen credit extension for entities in the capital, and provide targeted services to private small businesses and farmers. Through these efforts, we strive to enhance the economic development of the capital.

- **Serving central SOEs in Beijing.** The Bank communicates and partners with the headquarters of key enterprises in the capital, including China National Agricultural Development Group Co., Ltd., State Grid Corporation of China, China Poly Group Corporation Ltd. and China Chengtong Holdings Group Ltd.
- **Supporting municipal-level SOEs.** We signed a strategic cooperation agreement with Beijing State-owned Capital Operation and Management Company Limited to deepen our cooperation with Beijing Environment Sanitation Engineering Group Co., Ltd., BBMG Corporation Ltd., Beijing Energy Holding Co., Ltd.; signed strategic cooperation agreements with 7 Hong Kong-based SOEs under the control of Beijing Municipality, as part of the "Beijing-Hong Kong Cooperation for a Better Future" campaign.



- **Supporting government-subsidized housing and urban renewal projects in the capital.** The Bank has compiled and distributed the *Work Plan of Hua Xia Bank for Providing Financial Support for Beijing to Accelerate the Development of Government-Subsidized Rental Housing Projects* and *Hua Xia Bank Administrative Measures for Urban Renewal Loans*. support various projects, including the rental housing project on collectively-owned land in Lugouqiao, Fengtai District, and Beijing, as well as publicly traded REITs based on government-subsidized housing projects in Beijing, and infrastructure REITs projects of Beijing Energy Holding Co., Ltd.

In 2022

**RMB 300.265 billion**

Investment and financing services provided for Beijing

**14.63%**

Year-on-year increase

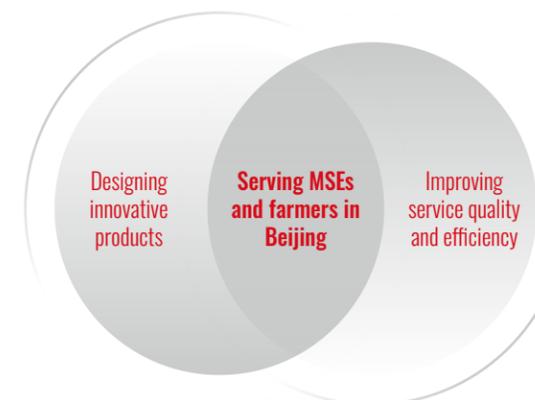
**5**

SOEs and

**1**

government organization in Beijing signed strategic cooperation agreements with the Bank

We have launched the Farmer and Commerce Loan (Hui Nong Xing Shang Loan), the Bank Guarantee Loan (Yin Dan Loan), and the Market Loan (Shi Chang Loan) for MSEs, and promoted the Inclusive Agricultural Loan. Farmers in the capital can apply for loans online, and we aim to review and approve their applications on the same day and issue the loan online.



The Bank has strengthened communication with the Beijing Financial Loan Service Center to expand the coverage of inclusive finance.

In 2022

**RMB 36.179 billion**

In investment and financing services provided for key projects related to the coordinated development of Beijing-Tianjin-Hebei region, with a focus on industrial park construction, infrastructure, green environmental protection, and other fields

**RMB 3.09 billion**

Local government bonds in Beijing underwritten

**RMB 35.458 billion**

Financing services provided for MSEs in Beijing



Strategic cooperation with the Beijing Stock Exchange

In 2022

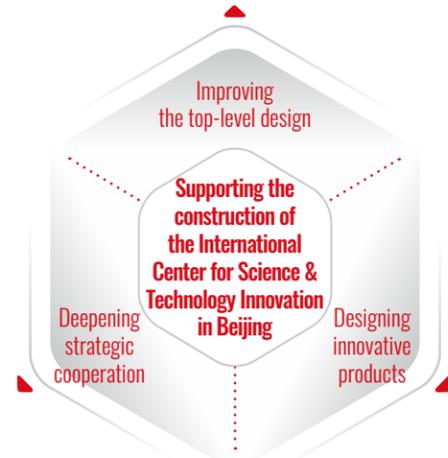
**RMB 32.942 billion**

Investment and financing services provided for 489 tech companies Beijing

**Boosting technological development**

Hua Xia Bank is dedicated to enhancing financial support for high-tech sectors. To achieve this, we have made consistent efforts to improve our financial services by strengthening our top-level design and developing more innovative products. We have supported the construction of the International Center for Science & Technology Innovation in Beijing, and are committed to assisting Beijing in becoming a benchmark city for the global digital economy.

- To enhance financial support for specialized and sophisticated enterprises, we have issued the Process of Hua Xia Bank for Issuing Loans to Specialized and Sophisticated MSEs, which emphasizes one scheme for one client and accelerated approval.
- We have facilitated re-lending to high-tech companies in Beijing and have increased the FTP tilt based on the central bank's special re-lending instruments.



- We have signed a strategic cooperation agreement with the Beijing Stock Exchange and the National Equities Exchange and Quotations (NEEQ) to develop targeted private equity strategic investment products.
- We have established comprehensive cooperation with CAS Holdings under the Chinese Academy of Sciences to support competitive tech companies and serve people working in the high-tech industry in Beijing.
- The Bank provided credit support for ZGC Group and launched the Zhongguancun International Syndicated Loan.
- The Bank has issued the Hua Xia Bank Administrative Measures for Option Loans (Trial) to promote the R&D of investment-oriented loan products.
- We have intensified our efforts in researching, developing, and promoting featured products. These include upgrading the Science and Technology Innovation Financial Service Package 2.0 for the Capital, and increasing the maximum credit line of Smart Loan 2.0 (Zhirongbao 2.0) to RMB 20 million.

**Supporting Beijing in building a benchmark city for the global digital economy**

**Boosting innovation in industrial digital FinTech**

We have completed the development of all functions of the first phase of the industrial digital FinTech platform and launched the digital factoring project of CCCC Fourth Highway Engineering Co., Ltd. which has started to issue loans.

**Accelerating the full-scenario application of digital RMB**

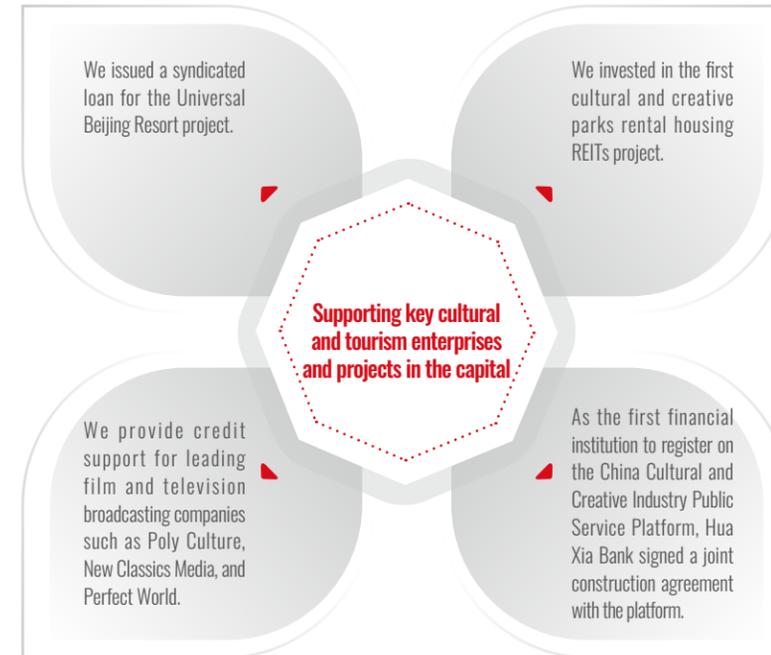
We have introduced functions such as digital RMB wallets for enterprises and an anti-overreach mechanism for digital currency APPs, and signed digital RMB cooperation agreements with the four major banks: Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, and China Construction Bank.

**Strengthening the construction of intelligent service terminals**

In Beijing, we have piloted new functions such as the merchant ecosystem and WeChat queuing functions to enhance intelligent services at our outlets. Besides, to improve remote services, we have launched an online appointment booking service that covers all businesses for corporate clients.

**Driving cultural development**

To build Beijing into a national cultural center, the Bank works to develop financial products and services for the cultural and creative sectors. We take the initiative to serve national time-honored brands. Through supporting key cultural and tourism enterprises and projects in Beijing, we aim to strengthen the capital's role as a magnificent center of traditional Chinese culture.



**Case Financing the first project of intellectual property securitization through patent licensing**

Beijing Branch, in collaboration with China Technology Exchange, has provided intellectual property financing for high-tech enterprises. This has filled the gap in Beijing for securitization products based on patents, which is of great practical significance for promoting the innovation of financial products based on intellectual property rights.

**Case Continuing to implement the Time-Honored Brand Action Plan**

Focusing on enterprises operating in consumer sectors such as foods, drinks, and daily necessities, we actively promote the Hua Xia Craftsmanship (Hua Xia Jiang Pin) series of products, and take the initiative to serve national and local time-honored brands, as well as well-known companies cultural heritage and development potential. Our comprehensive financial services cover payment and settlement, cash management, investment and financing, and other customized solutions to meet the unique needs of time-honored enterprises.

In 2022

**RMB 20.152 billion**

Financing services provided for cultural and creative enterprises in the capital

### Supporting international exchanges

As part of our contribution towards building Beijing into an international exchange center, we have improved the organization of free trade zones and developed distinctive trade and financial services to support enterprises in the capital to go global.

Supporting the capital in going global

- ▶ **Accelerating organizational improvements of free trade zones in Beijing, Tianjin, and Hebei.** We have set up a Sub-branch in the High-End Industry Area of the China (Beijing) Pilot Free Trade Zone.
- ▶ **Optimizing cross-border financial services.** We provide support for international settlement and trade financing, and promote cross-border RMB.
- ▶ **Increasing external communication efforts.** In 2022, we sponsored the 2022 Zhongguancun Forum, and participated in the 2022 China International Fair for Trade in Services and the Financial Street Forum, striving to publicize distinctive trade and finance services.

### Serving the development of the Beijing Municipal Administrative Center

We support Beijing in relieving its functions non-essential to its role as China's capital, and enhance financial support for the coordinated development of the "one core and two wings," thus contributing to the high-quality construction of the Beijing Municipal Administrative Center.

We recently established Xinhua East Street Sub-branch and promoted the green transformation of Yunhe Sub-branch.

Supporting the development of the Beijing Municipal Administrative Center

We signed a cooperation agreement with the Industry Fund of the Beijing Municipal Administrative Center for custody business.

We provide credit support for investment and state-run companies in Tongzhou, and support the construction of key projects, including transportation hubs and the Zhangjiawan section in Tongzhou District.

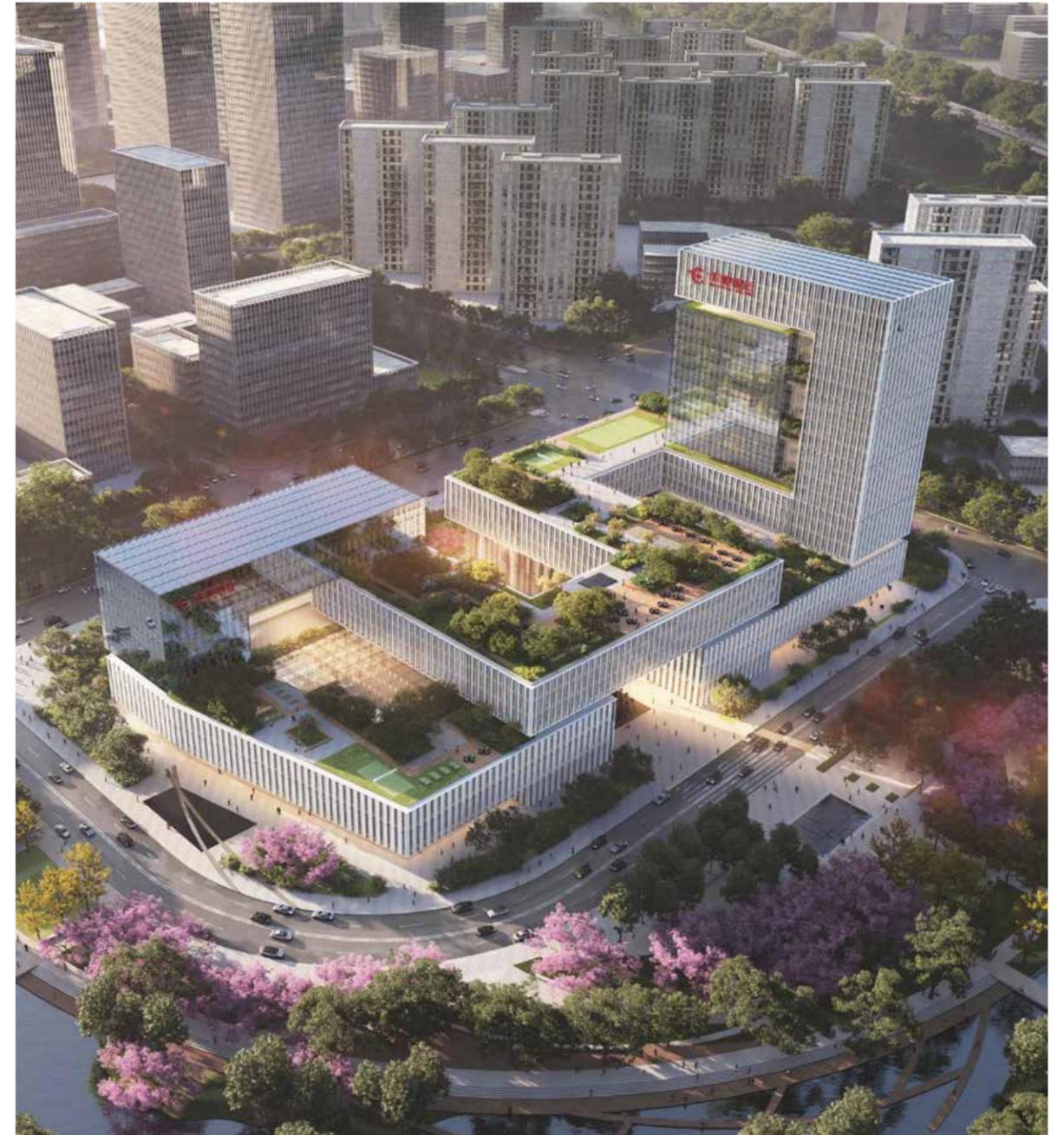
As of the end of 2022

**RMB 5.7 billion**

Credit balance in total after providing financing for 200 enterprises in Tongzhou District

### Case Accelerating the relocation of the Head Office to the Beijing Municipal Administrative Center

Hua Xia Bank has actively supported and implemented the Municipal Party Committee and the Municipal Government's decision to relocate the Head Office to the Beijing Municipal Administrative Center. In the same year, we completed the land acquisition and started construction. The new headquarters building, located on the north bank of the North Canal in Tongzhou, covers an area of about 30,000 m<sup>2</sup> and a total above-ground floor area of 120,000 m<sup>2</sup>. The whole building is constructed in accordance with the 3-star green building standard. We aim to complete the new headquarters by October 2026. The relocation of the Bank's headquarters is a significant achievement in Beijing's efforts to relocate high-quality resources such as non-capital functions and the headquarters of municipal-level SOEs to the Beijing Municipal Administrative Center.



Rendering of the new headquarters building of Hua Xia Bank( New Tongzhou Tower)

In 2022

**RMB 75.945 billion**

Investment and financing services provided for key projects critical to the coordinated development of the Beijing-Tianjin-Hebei region

As of the end of 2022

**RMB 560.897 billion**

Balance of loans to the Beijing-Tianjin-Hebei region

**156**

Outlets established in the Beijing-Tianjin-Hebei region

**Facilitating the coordinated development of the Beijing-Tianjin-Hebei region**

We push forward with the *Hua Xia Bank Action Plan for the Development of the Beijing-Tianjin-Hebei Region 2021-2025*. Positioning ourselves to be “a major financial service provider for the Beijing-Tianjin-Hebei region,” we have improved comprehensive financing services for key areas such as Xiongan New Area, and enhanced our support for the relocation of industries and integrated transportation, thereby injecting new impetus into the coordinated development of the Beijing-Tianjin-Hebei region.

**Supporting the development of Xiongan New Area**

To facilitate the high-quality development of Xiongan New Area, a pacesetter that relieves Beijing functions non-essential to its role as China’s capital, Hua Xia Bank has increased financial support for construction entities in the Area, explored a new model of optimized development in densely populated areas, and cultivated new drivers through innovation-driven development.



**Case Providing financial support for residents in resettlement areas**

Xiongan Branch actively provides financial services to relocated residents in the Rongdong and Rongxi resettlement areas. The branch has provided financial support for five batches of relocated residents in the Xiongan New Area and ensured their livelihood.

**Empowering the development of key functional zones**

The Bank has stepped up efforts to develop the “2+4+N” functional zones for strategic cooperation and platforms for industry relocation, providing financing support for business entities in various regions including Tianjin, Caofeidian, Cangzhou, Handan, etc.

**Case Supporting the construction of the platform for undertaking relocation of industries in Wuqing District, Tianjin**

In 2022, Tianjin Branch has completed the issuance of the first targeted debt financing instrument for an investment limited company in Wuqing, Tianjin. This funding will support Wuqing District’s efforts to relocate industries from Beijing and relieve Beijing functions non-essential to its role as China’s capital.

**Facilitating integrated transportation**

Focusing on key projects related to the integrated transportation of the Beijing-Tianjin-Hebei region, we have been providing financing support for companies such as Beijing Capital Highway Development Group Co., Ltd. (DCHD), Shijiazhuang Metro, Tianjin Rail Transit, and Handan Traffic Construction, promoting interconnectivity of transportation in the Beijing-Tianjin-Hebei region.

**Case Assisting Binhai New Area in accelerating the integrated transportation of the Beijing-Tianjin-Hebei region**

In 2022, Tianjin Branch has successfully completed the issuance of the second medium-term note of an investment group limited company in Binhai New Area, Tianjin. The funds raised will facilitate the construction of transportation and infrastructure projects in the Beijing-Tianjin-Hebei region.

**Conducting ecological governance**

Leveraging our expertise in green finance, we have provided comprehensive financial services for environmental projects focusing on regional air pollution control, water pollution control, as well as for enterprises engaging in energy conservation and environmental protection, thereby promoting the integrated development of green finance and the green industry in the Beijing-Tianjin-Hebei region.

**Case Supporting marine ecological conservation**

Tianjin Branch provided a total of over RMB 1.9 billion in loans to a development limited company in Lingang, Tianjin, to support the comprehensive improvement of sea areas, coastal zones, and islands. This financing will contribute to the efforts to improve the marine environment in the region.



Shijiazhuang Branch supports ecological restoration of Beijing-Hangzhou Canal

As of the end of 2022

**2.6212 million**

Debit cards themed on the coordinated development of the Beijing-Tianjin-Hebei region issued

**1.3337 million**

ETC cards users in the region

As of the end of 2022

**RMB 42.318 billion**

Balance of green loans of our branches in the Beijing-Tianjin-Hebei region

As of the end of 2022

**RMB 661.87 billion**

Balance of loans issued in the Yangtze River Delta region

**7.25%**

Year-on-year increase

**RMB 615.362 billion**

Deposit balance

**8.04%**

Year-on-year increase

## Contributing to the integration of the Yangtze River Delta region

Hua Xia Bank has capitalized on the development opportunities in the Yangtze River Delta region by providing financial support to key sectors, including public services, infrastructure construction, and environmental protection, and implemented various measures to promote the integrated development of the Yangtze River Delta.

### Promoting the integrated development of the Yangtze River Delta

#### Integrating into the mainstream of innovation-driven development

- **Building a new model for offering financial services to sci-tech innovation.** We have participated in sci-tech events initiated by the "Yangtze River Delta G60 Science and Innovation Corridor Financial Service Alliance," and provided exclusive products and services for sci-tech companies while improving our service capabilities.
- **Exploring incentive mechanisms for innovation.** We have swiftly implemented the "equipment renewal" and "technological innovation" policies. In doing so, we have introduced a range of incentive policies aimed at promoting loans for science and technology, and providing increased support through relevant resources.

#### Creating new competitive edges in "commercial banking + investment banking"

- **Promoting the construction of an "industry + customer" hierarchical and classification system.** To better serve strategic emerging industry clusters, as well as specialized and sophisticated SMEs, we have refined our marketing directions and strategies for assets business.
- **Expanding the "commercial banking + investment banking" business.** We have explored the "commercial banking + investment banking" cooperation mechanism as well as the bank-government cooperation model to strengthen regional resource linkage, and improve the joint loan mechanism in the Yangtze River Delta region.

#### Accelerating the construction of a new pattern of retail transformation

- **Facilitating access to consumer financing scenarios.** We have expanded our services to cover various scenarios such as transportation, health, and consumption, promoted the development of consumer financing, and carried out cross-regional services to facilitate the inflow of funds between regions.

#### Building a bridgehead for off-shore banking business.

- **Actively promoting the development of innovative bond business.** We have participated in the issuance of regional free trade bonds to facilitate the development of cross-border financial products and free trade derivatives. We leverage our free trade platform to provide comprehensive services to companies engaged in overseas businesses.

#### Deeply integrating into the development of a "green and beautiful Yangtze River Delta"

- **Promoting the development of key green projects.** Leveraging the strengths of our branch in the Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone, we have pooled our resources to support initiatives such as the "project of doubling wind and solar power generation capacities" to promote the development of green manufacturing and renewable energy. Furthermore, we have developed innovative models for cooperation in green finance.

### Case Supporting the construction of the Shanghai International Financial Center

Shanghai Branch has played a crucial role as the exclusive domestic coordinator in supporting the issuance of USD 150 million offshore bonds by a high-tech (group) limited company in Shanghai, in the free trade zone. This marked China's first US dollar-certified structured offshore bond in a free trade zone, and has effectively promoted the development of the Shanghai International Financial Center.

### Case Providing financial support for key projects in the eight cities of the Yangtze River Delta region

Based on the strategy for integrated development of the Yangtze River Delta, Hefei Branch has actively provided financial support for key construction projects in eight cities, including Hefei, Wuhu, Chuzhou, Ma'anshan, Tongling, Chizhou, Anqing, and Xuancheng, that have been incorporated into the strategy. As of the end of 2022, the balance of on- and off-balance sheet credit business for these eight cities totaled over RMB 23 billion.

### Case Boosting infrastructure construction

Shaoxing Branch was the only national joint-stock commercial bank that participated in the credit signing meeting for the city's infrastructure projects organized by the Shaoxing Municipal Government. During the meeting, the branch signed an RMB 1.5 billion credit cooperation agreement with a construction group limited in Shaoxing City to fully support the construction of Area B in Phase I of the Shaoxing International Convention and Exhibition Center, as well as other significant infrastructure projects in the area. By doing so, Shaoxing Branch is making a valuable contribution to the high-quality integrated development of the Yangtze River Delta region.

### Case Supporting the comprehensive governance of Taihu Lake's water environment

The national pilot project for comprehensive governance and sustainable development of the water environment in the Taogu area, located in the upper reaches of Taihu Lake, was a key provincial project of Jiangsu in 2022. Changzhou Branch raised funds through wealth management projects for a group limited company in Jiangsu, the entity which undertook the project. The financial support provided by the branch has significantly contributed to the safety of Taihu Lake's water and the high-quality integrated development of the Yangtze River Delta region.



Wuxi Branch signs a strategic cooperation agreement with the Wuxi High-Tech Industrial Development Zone to ease the difficulties of businesses.



Huai'an Sub-branch, affiliated with Nanjing Branch, signs a strategic cooperation agreement with the Lianshui County Government.

## Boosting the development of the Guangdong-Hong Kong-Macao Greater Bay Area

As of the end of 2022

**RMB 242.127 billion**

Balance of loans for the Guangdong-Hong Kong-Macao Greater Bay Area

**10.54%**

Year-on-year increase

With a focus on the strategic locations of the Guangdong-Hong Kong-Macao Greater Bay Area, Hua Xia Bank has increased support for the development of local high-end industries, and improved financial services to assist the Greater Bay Area in becoming a world-class bay area and city cluster.

Boosting the development of the Guangdong-Hong Kong-Macao Greater Bay Area

Building a "commercial banking + investment banking + private banking" value chain

- To promote the development of high-end manufacturing, Shenzhen Branch has successfully issued the first scientific and technological innovation bill worth RMB 440 million in the Greater Bay Area.
- Shenzhen Branch has issued Hua Xia Bank's first risk disposal type M&A loan to support the stable development of the real estate market.
- Shenzhen Branch's private banking center has been put into operation, while Hong Kong Branch has obtained the qualification for expanding its wealth management and private banking business.

Achieving innovative breakthroughs in trade finance

- Guangzhou Branch has completed Hua Xia Bank's first domestic Letter of Credit (L/C) forfaiting asset cross-border transfer transactions.
- Hong Kong Branch has launched agency foreign exchange (FX) spot, forward and swap trading, agency cross-currency swap trading, agency interest rate swap trading, and agency bond trading, and completed an annual agency trading volume exceeding HKD 12 billion.

Focusing on China's 30-60 Decarbonization Goal while developing green finance

- Guangzhou Branch has completed the first battery energy storage financing project of the World Bank in the Greater Bay Area, and invested in innovative businesses such as green bonds through wealth management funds.
- The proportion of green loans at Shenzhen Branch exceeds the average level of the banking industry in the city.

Actively integrating into the international financial market

- Hong Kong Branch completed 73 overseas debt underwriting transactions in 2022, with a total issuance amount of over HKD 131.8 billion for bond projects; improved the clearing channels for three foreign currencies, including US dollars, euros, and Japanese yen, and established agent bank relationships with 134 banks in total.

### Case Promoting the construction of large-scale projects in the Greater Bay Area

Hong Kong Branch has extended a loan of HKD 2 billion to New World Development Company Limited to promote economic growth in the Guangdong-Hong Kong-Macao Greater Bay Area. New World Development has played an active role in the construction of the Greater Bay Area through the development of a number of iconic large-scale projects, including the Hanxi Changlong land site in Guangzhou and the Prince Bay Project in Shenzhen.

### Case Supporting the intercity railway construction project in the Pearl River Delta

An intercity railway limited liability company in Guangdong is responsible for the operation and management of the urban rail transit system between Guangzhou and Zhuhai, and has taken on the important task of accelerating the construction of the rail transit system in the Greater Bay Area. Guangzhou Branch has maintained long-term cooperation with the company to support the transportation infrastructure construction in the Greater Bay Area.



Intercity railway construction project in the Pearl River Delta

### Case Improving financial services for the sci-tech industry in the Greater Bay Area

Guangzhou Branch signed a strategic cooperation agreement with a certain group limited company in Guangzhou Development District during the signing ceremony of industry and finance integration projects at the 11th China (Guangzhou) International Finance Expo, demonstrating Hua Xia Bank's focus on providing financial services for the sci-tech industry in the Greater Bay Area.



The signing ceremony of industry and finance integration projects at the 11th China (Guangzhou) International Finance Expo



Hong Kong Branch's 2nd Anniversary Celebration & "Signing Ceremony of Strategic Cooperation Agreements with Beijing-Affiliated Companies in Hong Kong"



Shenzhen Branch receives the title of "Shenzhen Green Financial Institution" from the Shenzhen Municipal Financial Regulatory Bureau.

## Serving the development of the Yangtze River Economic Belt

The Bank is dedicated to staying abreast of the latest developments in the Yangtze River Economic Belt and the Chengdu-Chongqing economic circle, by providing increased support for key infrastructure construction projects, promoting the transfer of coastal industries and facilitating the development of new urban areas. Our goal is to foster high-quality development of the Yangtze River Economic Belt.

### Case Issuing the first “Yangtze River Economic Belt” asset-backed security (ABS) based on port revenues in China

Nanjing Branch has completed the issuance of the first “Yangtze River Economic Belt” asset-backed security (ABS) based on port revenues in China as well as Hua Xia Bank’s first ABS on infrastructure, with a total amount of RMB 653 million. Hua Xia Wealth Management Co., Ltd. acted as the cornerstone investor in the issuance. This issuance marks the first time that Nanjing Branch has issued ABS based on port revenues under the new rule system, setting an innovative financing model for port enterprises.

### Case Boosting agricultural development in the Yangtze River Economic Belt

Wuhan Branch actively responds to the central government’s development strategies for the Yangtze River Economic Belt. In collaboration with a leading agricultural investment firm in Hubei Province, the branch has launched its first agricultural loan. As of the end of 2022, Wuhan Branch has extended a total of nearly RMB 300 million in loans.



Nanjing Branch supports port construction and operation

### Case Supporting the high-quality development of Ganjiang New District

The development of Ganjiang New District, the 18th state-level new area in China, is a significant part of the future of the entire Yangtze River Economic Belt. Following the government’s policies, Nanchang Branch has set up an institution in Ganjiang New District to serve the local economy. As of the end of 2022, Nanchang Branch had provided a total of over RMB 2.4 billion in credit support for the new district.



Chengdu Branch Signing strategic cooperation agreements in a financing meeting for the city’s key projects in housing construction, transportation, ecological conservation, and environmental protection.

## Accelerating Industrial Transformation and Upgrading

Implementing the national policies on industrial structure adjustment and following the *National Catalogue for Guiding Industry Restructuring*, Hua Xia Bank has increased support for industrial transformation and upgrading in its annual credit and investment policies. The Bank is committed to playing a greater role in supporting key sectors, such as new infrastructure, manufacturing, and strategic emerging industries, and pooling resources to promote industrial transformation and upgrading.

### Boosting infrastructure construction

To strengthen the economy through infrastructure development and accelerate the construction of infrastructure projects, we provide support for new infrastructure and new urbanization initiatives, as well as major projects and urban renewal projects, and upgrade the “commercial banking + investment banking” service model.

As of the end of 2022

**RMB 210.406 billion**

Balance of loans to manufacturing

**RMB 104.587 billion**

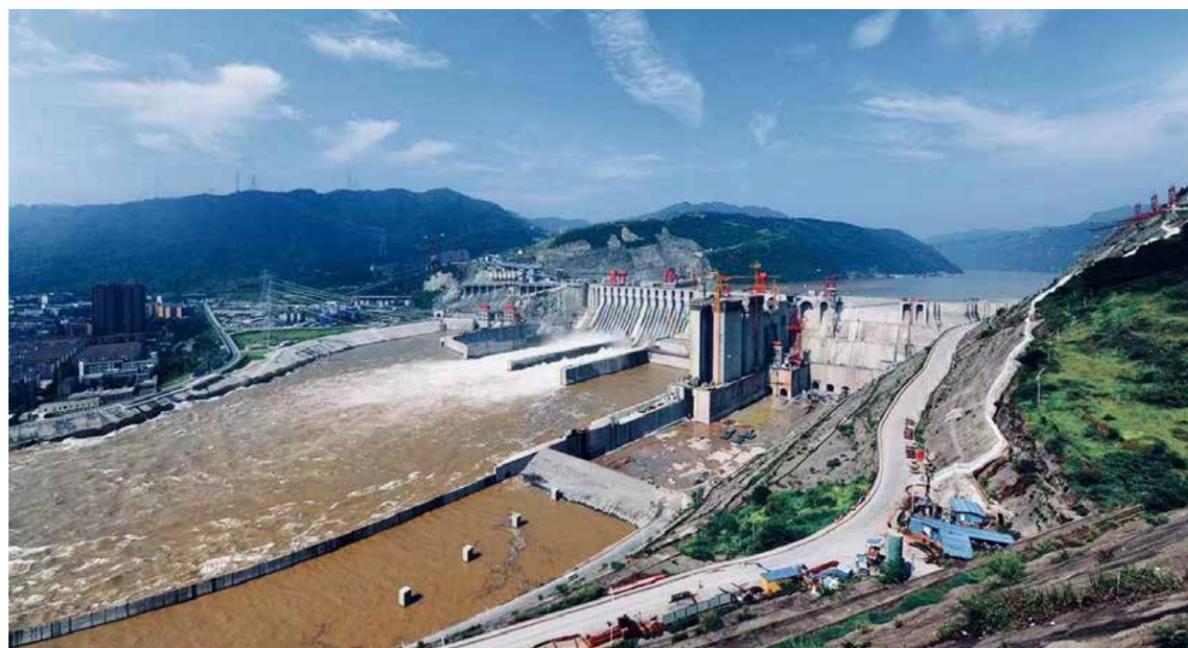
Balance of loans to strategic emerging industries

#### Case Supporting the urban renewal project

Xiamen Branch strives to integrate into the “Great Improvement on the Island, and Great Development Outside the Island” initiative of Xiamen. The branch has extended syndicated loans to an investment limited company in Xiamen. The funds are dedicated to the Phase I Urban Renewal project of the Cross-Strait Regional Financial Center Area in Xiamen.

#### Case Supporting hydropower station construction

Nanchang Branch provided Longtoushan Navigation-Power Junction Investment and Development Co., Ltd. in Jiangxi with a 17-year loan of RMB 2.147 billion to support the Longtoushan hydropower infrastructure project. This loan marks the largest and longest-term loan issued by Nanchang Branch since its establishment.



Kunming Branch supports Yunnan Provincial Energy Investment Group in constructing an overseas hydropower station.

## Facilitating the transformation of the manufacturing industry

We increase support for the manufacturing industry, promote the transformation and upgrading of high-quality enterprises in the manufacturing industry and their upstream and downstream enterprises in the industrial chain, injecting financial momentum into the high-quality development of the manufacturing industry.

#### Case Boosting the upgrading of the furniture manufacturing industry

A home furnishing manufacturer in Deqing, Huzhou, has been included in the list of candidates for medium to long-term loans in Zhejiang Province (the fourth batch), is therefore qualified to apply for medium to long-term loans for key companies in the manufacturing industry based on the National Development and Reform Commission (NDRC). Hangzhou Branch provided an RMB 7 million medium to long-term loan to the furniture company, supporting its capacity upgrading. This was also the first time that Huzhou Branch extended a medium to long-term loan to a company on the list.

#### Case Supporting the green development of the new materials industry

A new materials limited company in Xinjiang applied for the “Green Low-Carbon Upgrading Project,” a subsidized medium to long-term loan project for the manufacturing industry feedbacked by the National Development and Reform Commission (NDRC). Urumqi Branch completed project approval and loan disbursement preparation in just 13 working days after receiving feedback from the NDRC’s list. The loan amount of RMB 300 million has been utilized for purchasing equipment for the company’s green and low-carbon upgrading project.



Chongqing Branch visiting a new energy vehicle manufacturer.

## Advancing industrial modernization

Focusing on key areas such as specialized and sophisticated SMEs, and strategic emerging industries, our commitment extends to the development of industries in Beijing, Shenzhen, Shanghai, Guangzhou, and other strategic emerging industry clusters, as we strive to accelerate the modernization of the industrial system.

#### Case Boosting the development of cultural tourism

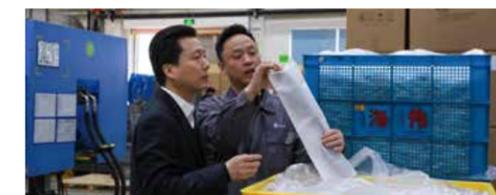
Nanchang Branch has extended a ten-year RMB 500 million fixed asset loan to an investment holding group limited in Jingdezhen City, marking the largest loan issued by a banking institution in Jiangxi Province that is dedicated to equipment upgrading and renovation. The loan has been used for equipment upgrading and renovation in seven cultural and tourist attractions, including the Jingdezhen International Ceramic Culture Expo Tourism Exchange Center, which will effectively promote the development of the local cultural tourism industry.



Shaoxing Branch showing supports for the development of optoelectronic enterprises.

#### Case Promoting the development of the intelligent industry

Kunming Branch has issued loans to a big data industrial development limited company in Yunnan for equipment upgrading and renovation, making it the largest equipment upgrade loan ever issued in Yunnan Province. Kunming Branch has been commended by the State Council’s inspection team for its contributions to market entities in accelerating important equipment upgrading and renovation projects.



Ningbo Branch providing services at a high-tech company.

## Serving China's Opening-up

As of the end of 2022

**626**

Correspondent banks in BRI markets opened

**1,189**

Correspondent banks set up, covering

**305** cities

in 98 countries and regions across the world

In 2022

**RMB 140.878** billion

Cross-border RMB transactions handled

**USD 162.105** billion

International settlements completed

As China opens up at a high level to the world, Hua Xia Bank has actively integrated into the domestic-international dual circulation and supported Chinese enterprises seeking to expand their presence overseas in response to the Belt and Road Initiative (BRI).

### Integrating into the BRI

Hua Xia Bank closely follows national strategies and actively responds to the BRI. The Bank has been optimizing its correspondent bank network in BRI partner countries and developing new trade finance products, debt instruments, and interbank investment services to contribute to the high-quality development of the BRI.

#### Case Supporting the development of the core area on the Silk Road Economic Belt

Urumqi Branch fully supports the development of the core area on the Silk Road Economic Belt, with a special focus on the construction of key infrastructure projects for trade, logistics, transportation, and green finance. In Khorghos, Alashankou, Urumqi Comprehensive Bonded Area and other key areas, the Branch has supported infrastructure construction and enterprise trade financing needs, improved port infrastructure construction, and promoted the development of domestic and foreign two-way trade.

#### Case Supporting the development of the a cold chain storage center of an international land port in Yunnan

Kunming Branch is dedicated to responding to the BRI, and has led the issuance of a consortium loan of RMB 200 million to a cold chain storage center of an international land port in Yunnan, which is striving to become a zone with the most comprehensive facilities serving the ASEAN and international markets. This issuance not only supports the development of the land port, but also helps Yunnan Province to achieve its goal of becoming a hub for China's opening-up to South and Southeast Asia.



## Supporting the development of free trade zones

Hua Xia Bank is dedicated to optimizing its institutional layout in free trade zones, both within and outside of China, to create a unique product system. The Bank has also utilized products such as free trade zone bonds to provide fast and professional financial support to Chinese enterprises looking to expand overseas, multinationals, and foreign institutions.

#### Case Issuing the first free trade zone offshore bond in central and western China

The Hong Kong, Urumqi, and Shanghai branches of Hua Xia Bank have collaborated to issue the first offshore bond in central and western China with a total value of RMB 780 million. This issuance represents China's inaugural free trade zone offshore bond that includes foreign investors and serves as a successful example of providing exceptional cross-border financial services.

## Improving cross-border services

The Bank has stepped up efforts to build an all-dimensional, tiered cross-border comprehensive financial service system. We actively serve domestic and foreign markets by leveraging our advantages in the linkage between onshore and offshore RMB, domestic and overseas markets, as well as local and foreign currencies. Meanwhile, we are committed to innovation in trade finance products and the implementation of the Renminbi internationalization strategy, with the goal of providing convenient and efficient financial services for Chinese enterprises seeking to expand overseas.

#### Expanding global service channels

The Bank has promoted the development of domestic and overseas correspondent bank networks to offer customers integrated international financial services in RMB and foreign currencies.

#### Innovating in trade finance

Partnering with the General Administration of Customs, we have launched the single-window cross-border payment and settlement service, which is designed to meet the payment and settlement needs of import-export companies.

### Improving cross-border services

#### Enhancing online service capabilities

Hua Xia Bank has continued to improve the electronic channel functions for services such as letters of credit and foreign currency remittances, and improved the online service capability of cross-border payment and settlement.

#### Supporting Renminbi internationalization

We have vigorously promoted convenient cross-border RMB settlement to provide higher-level services for eligible enterprises and new formats of international trade.

#### Supporting Chinese enterprises seeking to expand overseas

##### Supporting cross-border project investment

While deepening traditional trade services, Hua Xia Bank has actively provided capital and financial services to support outbound investment projects in line with national policies.

##### Strengthening trade financing guarantees

The Bank has intensified its efforts to promote import-export trade financing and cross-border guarantee products, catering to the demands of Chinese enterprises seeking to expand in international markets. Our comprehensive range of services includes trade financing and credit enhancement in both domestic and foreign currencies. We have also strengthened the application of products such as financing under export credit insurance, international factoring, and cross-border guarantees to help those companies reduce costs and increase efficiency.

#### Case Empowering the development of cross-border business

Prioritizing the Nanning and Qinzhou Free Trade Zones, Nanning Branch provides cross-border trade financial services to companies across Guangxi, including cross-border settlement, international trade financing, foreign exchange derivatives, supply chain products, etc., supporting their expansion into international markets.



# OFFERING HIGH-QUALITY Services in Inclusive Finance

While exploring more development models for inclusive finance, Hua Xia Bank has implemented measures to effectively alleviate their difficulties. The Bank is also committed to promoting all-around rural revitalization, which aims to facilitate people's livelihood projects, promote financial services for people's lives, and create a new era of prosperity in rural areas.

## Sustainability practices

- Deepening product innovation and enhancing service quality and efficiency to boost the long-term stable development of MSEs
- Solving MSEs' pain points in development and helping them overcome difficulties
- Improving services for "agriculture, rural areas, and farmers" to contribute to rural vitalization
- Offering financial services beneficial to the people to boost personal consumption and support projects vital to people's well-being

As of the end of 2022

**RMB 565.47** billion

Balance of loans for MSEs

**RMB 74.721** billion

Increased over the figure of the year before

**670,100**

Customers who received loans to MSEs with a maximum of RMB 10 million

**RMB 160.904** billion

Balance of loans to MSEs with a maximum of RMB 10 million

**RMB 18.774** billion

Balance of inclusive finance loans related to "agriculture, rural areas and farmers"

**RMB 520.312** billion

Balance of personal loans(excluding credit card)



## Supporting the Development of MSEs

As of the end of 2022

**RMB 565.47 billion**

Balance of loans for MSEs, accounting for

**26.58%**

of the total loans issued by the Bank

**RMB 74.721 billion**

Balance of loans for MSEs increased

We continue to deepen our strategic positioning as “a financial service provider for SMEs,” and provide inclusive financial services with the distinctive characteristics of Hua Xia Bank to MSMEs and private enterprises to support their healthy development.

We have reviewed the marketing “whitelist” of loans for sci-tech enterprises, and implemented the latest review standards of the People’s Bank of China that give priority to these enterprises; meanwhile, we have increased support for high-quality clients and key projects in science and technology, and started the application for the People’s Bank of China’s re-lending program for scientific and technological innovation.



We have made adjustments to the credit rating for granting credit to MSE clients in the manufacturing industry that have been included in the assessment of the increase in inclusive finance lending to micro and small business, optimized the repayment methods for medium to long-term loans, and increased the proportion of loans for manufacturing MSEs as well as medium to long-term loans.

We have delegated more authority to certain branches for approving pledged loans for specialized and sophisticated SMEs, and opened the approval access path of the Department of Inclusive Finance at the headquarters for these branches. In addition, we have conducted research on the development of exclusive “Loans for Specialized and Sophisticated SMEs.”



Shaoxing Branch offers financial services to SMEs which are also members of the Shaoxing Hubei Chamber of Commerce.

## Upgrading services

To boost the development of MSEs in the private sector, the Bank has comprehensively improved its service capabilities, increased efforts in product innovation, and utilized financial technology to expand its service scope while enhancing the quality and efficiency of financial services.

- We have launched four series of inclusive loans to businesses in the private sector, including the “Ding Hui Loan, Zhuan Hui Loan, Ju Hui Loan, and Smart Loan.”
- With the “Loans for Specialized and Sophisticated SMEs,” we offer special financing services to outstanding SMEs as well as SMEs recognized by provincial governments.
- We have launched the latest version of the House Loan Express inclusive loan which comes that includes new features such as in vivo detection, credit contracts confirmed by clients, loan contracts, and online contract signing, etc. In addition, we have extended the loan term up to a maximum of 30 years and increased the maximum loan amount to RMB 30 million.



- We have launched the “Smart Supply Chain Product under the Hua Xia Bank Inclusive Financial Services for Private Enterprises,” realizing the deep integration of “digital finance + scenario-based service.”
- The Bank has launched its first dual platform for “Business Management of Financial Services for Private Enterprises,” to achieve full-process risk management and control. The dual platform allows the Bank to stay up-to-date on business operations progress, while core enterprises can stay informed on the supply chain’s upstream and downstream dynamics in real-time.
- The Bank has created a new WeChat official account - the Hua Xia Bank Inclusive Financial Services for Private Enterprises. Through intelligent identity recognition, assistance from external risk control data, electronic signature, etc., we provide customers with online services covering applications, guarantees, withdrawals, etc.



Kunming Branch explaining the Flower Grower Loan (Hua Hui Loan) to a customer.



Changchun Branch upgrades “specialized and sophisticated” support services

As of the end of 2021

**25**

Products targeting MSEs

**RMB 26.741 billion**

Balance of online business loans for MSEs

**705,400**

MSE customers of online business loans

**27**

Outlets providing inclusive financial services for MSEs

As of the end of 2022

**RMB 160.904 billion**

Balance of loans to MSEs with a maximum of RMB 10 million

**16.56%**

Increased from the beginning of the year

**12.90 percentage points**

higher than the average growth rate of all loans of the Bank

**Easing the difficulties of businesses**

The Bank implements national policies aimed at easing the difficulties of businesses and stabilizing the market. By leveraging inclusive financial products for MSEs, and offering services such as deferral of principal and interest payments, we have managed to alleviate the challenges faced by enterprises in accessing affordable financing, and played a positive role in maintaining the stable operations of market entities.

**Easing the difficulties of businesses**

**Launching products and services to support the resumption of work and production**

- The Bank has launched a variety of digital financial products to assist businesses in accessing financing, such as the Unity Loan (Zhong Zhi Loan), Production Resumption Loan (Fu Gong Loan), and Credit Enhancement Loan.
- We have specially set up 18 MSE financial service centers in Beijing to enhance communication with the loan service center and the loan renewal center in the city.

**Improving the mechanism for deferral of principal and interest payments.**

- We require each branch to investigate the assess the status of loans due or extended for MSE clients; meanwhile, we negotiate with MSEs, self-employed individuals, truck drivers, etc. in accordance with market-based principles, and provide them with reasonable loan extension services.
- As part of our efforts to support MSEs, we have implemented time-limited interest rate cuts for eligible borrowers. Our branches and relevant departments have conducted a thorough verification process to identify eligible customers and determine the appropriate reduction amounts for selected loans.

**Proactively lowering fees**

- We have waived 24 fees for MSE clients, including commitment fees and transaction processing fees.
- We have launched functions such as the optimized imaging system service fee transaction for MSEs, ensuring the payment of financing costs, validation of bills, and registration of data through technological means.

**Case Providing MSEs with loan renewal services without repaying principal**

Hangzhou Branch has implemented a loan renewal product system to alleviate the pressure of loan transfer on MSEs. This system has been improved based on Hua Xia Bank's "annually reviewed" loan product system, and provides loan renewal services to MSEs without requiring them to repay the principal. As of the end of 2022, Hangzhou Branch has extended loans to a total of 1,043 clients, amounting to RMB 3.298 billion.

**Case Issuing the first loan for easing the difficulties of businesses in the Xi'an National Civil Aerospace Industrial Base**

A construction company in Shaanxi has gained an RMB 4.5 million loan dedicated to easing the difficulties of the businesses from Xi'an Branch. This marks the first instance of Hua Xia Bank issuing such loans to companies operating in the Xi'an National Civil Aerospace Industrial Base. The loan, also referred to as the "Aerospace Industrial Base Bailout Loan," "Aerospace Industrial Base Bailout Loan," targets MSMEs operating in the aerospace industrial base area who require funding. The program boasts several advantages including high approval limits, fast processing times, low interest rates, and long-term maturities.

**Case Offering mortgages for MSEs**

Nanjing Branch has increased its support for manufacturing MSEs by offering mortgage loans. For instance, a local limited company specializing in automation engineering faced a shortage of funds that prevented them from purchasing a new factory building. After learning of their situation, Nanjing Branch provided them with a factory loan that only required a 30% down payment, helping the company overcome its financial challenges.



Wenzhou Branch visiting a local curtain shop owner.

## Supporting Rural Vitalization

As of the end of 2022

**RMB 271.538 billion**

Balance of agriculture-related loans

**RMB 18.774 billion**

Balance of inclusive agriculture-related loans

**RMB 2.038 billion**

Increased over the figure at the beginning of the year

**12.18%**

Increase percentage

**8.52 percentage points**

higher than the average loan growth rate of the Bank

**109**

Rural outlets

**83**

Outlets opened in old revolutionary base areas, areas inhabited by ethnic minority groups, remote and border areas, and poverty-stricken areas

As a major participant in promoting rural vitalization through financial services, Hua Xia Bank is committed to implementing the central government's decisions and plans. We constantly innovate our targeted assistance models to consolidate and expand the achievements in poverty alleviation. Additionally, we continue to improve the quality of our financial services, and are dedicated to providing more financial support for all-around rural vitalization and contributing even greater efforts toward achieving common prosperity.

### Enhancing rural vitalization systems and mechanisms

The Bank has set up a rural vitalization leading group headed by Li Minji, Party Secretary and Chairman of the Bank. This group is tasked with defining the responsibilities of each member unit of the rural vitalization working group and coordinating the overall rural vitalization efforts of the Bank. We have issued the Hua Xia Bank Implementation Plan for Comprehensively Promoting Rural Vitalization in 2022 to ensure the effective implementation of related measures. We have also dispatched competent officials to rural areas to support poverty alleviation, conducted special training on rural vitalization, and implemented an assessment mechanism for supporting industries related to agriculture, thereby injecting new impetus into rural vitalization.

<p><b>Boosting local industries</b></p> <p>We have developed distinctive local businesses to increase the local incomes of collective economies and further enhance the self-sufficiency of areas receiving assistance.</p>	<p><b>Increasing sales of local products</b></p> <p>We have helped to increase the sales of local agricultural products by implementing a series of measures, such as purchasing goods locally, buying trade union delivery cards, purchasing goods from the Beijing Consumption Assistance Center, as well as contacting e-commerce platforms to provide support for secondary processing and advertising shooting, and utilizing new media for promotion.</p>	<p><b>Improving public welfare</b></p> <p>We have actively supported the local community in addressing their daily life concerns, such as education, medical service, and employment through various measures. These include contributing to local infrastructure projects, making donations, paying visits, and offering skills training, etc.</p>
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Urumqi Branch donates funds to support the reconstruction and expansion of vocational schools in Xinjiang

## Consolidating and expanding the achievements in poverty alleviation

Hua Xia Bank is actively participating in the national effort to align poverty alleviation and rural vitalization. The bank has taken concrete actions to consolidate and expand the achievements in poverty alleviation while promoting rural vitalization. For instance, we have made steady progress in offering paired assistance to counties and prefectures in Inner Mongolia, Xinjiang, and Qinghai, and innovated in the sustainable assistance model.



Chongqing Branch dispatches the First Secretary to assist in industrial vitalization



Chengdu Branch cooperates with Junyi Village in toilet renovation



Zhengzhou Branch promoting the sales of unsold agricultural products.

As of the end of 2022

**RMB 6.227 billion**

Loans extended to counties and prefectures in Inner Mongolia, Xinjiang, and Qinghai receiving paired assistance from Beijing

**26,400**

Job opportunities created for locals

## Improving the environment for rural vitalization Services

We continue to introduce innovative management methods and increase resource allocation to support inclusive finance, thereby making financial services in rural areas more accessible and convenient. Our efforts to further optimize the rural financial ecosystem, have helped to boost the supply of financial services for rural vitalization.

- We continue to implement preferential interest rates for loans related to "agriculture, rural areas and farmers."
- We have set up an express service channel for loans related to "agriculture, rural areas and farmers." Through this channel, we expedite the credit approval process, maximize the line of credit, and issue loans as fast as possible.
- We have made significant strides in extending personal loans to borrowers from poverty-stricken areas. We have diversified the credit enhancement methods for loans related to "agriculture, rural areas and farmers" have been constantly diversified to provide targeted lending to as many borrowers as possible. This approach has not only enabled us to extend mutual assistance to farmers, but also promoted collaboration between the Bank, enterprises and farmers.



- In order to promote digital finance in rural areas, we have introduced self-service card issuance machines, mobile banking, online banking, direct banks, and other facilities and channels to continuously expand basic financial services to towns and villages.
- By continuously exploring users' needs and opening more county-level outlets and community branches, Hua Xia Bank has been expanding its services to reach lower-tier markets to provide greater access to our services and expand our service coverage.
- To enhance financial literacy in rural areas, Hua Xia Bank has provided training sessions such as the Consultation Desk, the Financial Culture Wall, and the Financial Knowledge Lecture, and by distributing brochures, we teach financial knowledge such as payment and settlement, credit-related business, etc.

### Case Extending credit to the whole village to promote the development of rural industries with loans

To promote the development of local industries, Yinchuan Branch and Xiji County Rural Vitalization Bureau entered into a strategic cooperation agreement on extending credit to the whole village. The Bank provided RMB 5 million in loans to targeted assistance village, Zhangqi Village, to support their economic activities.

### Case Boosting the development of the local specialty industry with a new guarantee model

Changsha Branch has been exploring new guarantee models and working closely with guarantee companies to provide working funds for fishery enterprises and farmers. The branch has applied the "bank + guarantee + leading enterprises + upstream and downstream cooperation" model to introduce mature fish breeding and fingerling cultivation technology, driving the development of the local specialty industry. The branch has issued RMB 10 million in loans to Fumin Aquatic Products and Aquaculture Co., Ltd. in Xiangyin County.



Changsha Branch promoting the "One Village, One Agency" financial education program

## Creating innovative financial products for rural vitalization

Hua Xia Bank has utilized its rich and unique resources as a financial institution to cater to the financial needs of different regions for rural construction. By creating innovative financial services and products, the Bank has supported rural vitalization and bolstered the development of specialty industries in rural areas. This has provided significant financial support for local rural vitalization work.

### Case Supporting the development of rural MSEs with Farmer and Commerce Loan (Hui Nong Xing Shang Loan)

Hua Xia Bank has partnered with Beijing Agricultural Guarantee Co., Ltd. to launch the Farmer and Commerce Loan (Hui Nong Xing Shang Loan), which offers two types of loans - "Bank-Guaranteed Loans" and "Market Loans". The product is designed to cater to the financial needs of MSEs that specialize in animal husbandry, agriculture, and the production and distribution of agricultural products in the Beijing-Tianjin-Hebei region, with the goal of fueling their growth.

### Case Supporting local agricultural development through the "Hua Nong Loan"

Changzhou Branch has introduced the "Hua Nong Loan," a new online financing service model for farmers, family farms, and cooperatives to access funds and make repayment easily through credit or guarantee security methods. This model has resolved the challenges of meeting high bank access and guarantee requirements, as well as complicated loan procedures faced by farmers, thereby greatly satisfying their financial needs during the transformation towards modern agriculture. As of the end of 2022, Changzhou Branch has granted a total of RMB 36.08 million in the "Hua Nong Loan" to 116 clients.



Shaoxing Branch's "Yirong Tong" loan product provides financial support for planting farmers

## Increasing financial supply for key areas

We have increased our financial support for key areas, such as grain and cotton production, and supported the development of agricultural sectors, including forestry, fruit growing, and livestock farming. While comprehensively enhancing the allocation of financial resources to rural areas, we strive to meet the credit needs in key areas in rural modernization, such as road transportation, logistics and transportation, communication, clean energy, water supply, and power supply.

### Case Supportting and driving dairy industry chain development

Hohhot Branch has played an active role in providing financial support for local businesses and increasing the issuance of agriculture-related loans, contributing to the economic growth of Inner Mongolia. For example, the branch has underwritten the ultra-short-term financing bonds of a dairy group, which were mainly used for facilitating the modernization, expansion, and standardization of ranches in Inner Mongolia. Through cooperation with a dairy group, the branch has provided unsecured loans to MSEs on the group's supply chain. In addition, the branch has extended loans to leading companies in poverty alleviation, such as a livestock company in Inner Mongolia, a livestock company in Xilingol League, and a dairy company in Inner Mongolia. These efforts have effectively driven the development of the dairy industry chain cluster in Inner Mongolia, contributing to consolidating the achievements in poverty alleviation and rural vitalization.

## Offering Financial Services to Benefit the People

As of the end of 2022

**RMB 520.312** billion

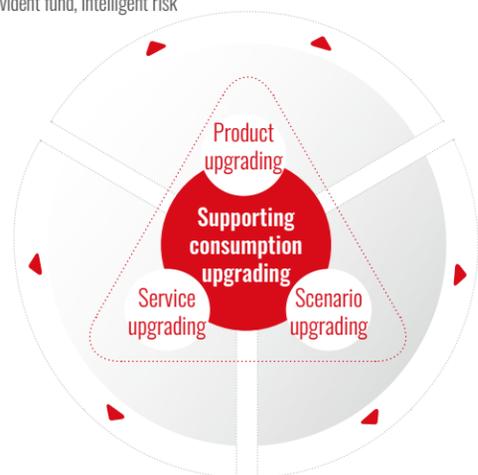
Balance of personal loans(excluding credit card)

Oriented toward the needs of the people, we have continually innovated our product offerings and expanded the scope of our inclusive financial services. Through these efforts, we strive to support individuals in their aspirations towards a better quality of life.

### Serving personal consumption

Following the trend of personal consumption upgrading, the Bank has upgraded consumer financial products, and transformed its service channels from traditional banking outlets to an "online + offline" multi-channel service system. Through this approach, we have extended our financial services to benefit a wider range of customers.

- To meet customers' needs for consumption and financing, Hua Xia Bank has launched its online consumer loan product - the Elite E Loan (Jing Ying E Loan), which offers services such as online application, direct connection to provident fund, intelligent risk control, etc.
- Focusing on the new demands of citizens for consumption and funds, we have optimized the features for the Hua Xia e Loan to promote the organic integration of credit products and new consumption scenarios.



- To reduce the cost of consumer loans, we have increased our support for consumer credit. For example, we have launched preferential interest rate coupons for consumer loans, and improved the customer experience on our online channels.
- We have implemented policies for loan repayment deferral, and participated in the government-initiated action of "ensuring the delivery of housing, people's livelihoods, and stability" with efforts made to ensure that our personal loan repayment deferral service remains accessible to those in need.
- The Bank has created specialized consumer finance scenarios such as home decoration and parking, and provided flexible combinations of consumer finance products and scenarios through products such as the Decoration Loan (Zhuang Xiu Loan) and the Parking Space Loan (Che Wei Loan).
- We have also supported popular consumer service scenarios, and increased the distribution of consumer loans to meet customers' demand for financial services during promotional events on e-commerce platforms, such as the "Double Eleven" and "Double Twelve" events.

#### Case Supporting the development of consumption scenarios for the Beijing 2022 Winter Olympics

Hua Xia Bank proactively undertook the project to enhance the payment environment for brick-and-mortar stores located in key blocks of the Beijing 2022 Winter Olympics, offering transaction services for foreign bank cards and UnionPay. Through the "smart payment + smart operation" service model, we successfully completed the improvement of payment terminals and the construction of payment scenarios in key blocks and business areas of the Beijing 2022 Winter Olympics.

#### Case Developing standardized processes for private banking investment advisory services

Hua Xia Bank has launched the innovative "CREATE" five-step cyclic working method for investment advisory services, and expanded the depth and breadth of its professional services by standardizing the service process. We have created the "Smart" series product and service toolbox for private banking clients to meet the investment and financing needs of high-net-worth clients and their families, as well as businesses. The toolbox includes four major product and service sequences: "Smart Investment, Smart Financing, Smart Innovation, and Smart Enjoyment." Moreover, we have built a "commercial banking + investment banking + private banking" professional service toolbox to provide services in areas such as enterprise investment and financing, client and family wealth planning, equity services, etc. By offering comprehensive financial services that cover "individuals, families, businesses, and society" throughout their entire lifecycle, the bank is able to meet the diverse needs of its clients.

### Supporting projects vital to people's well-being

In response to the reform of the social security system and the upgrade of retirement consumption, and to support first-time home buyers and people in improving their housing situation, Hua Xia Bank provides customers with a package of affordable and convenient financial and lifestyle services through flexible and diverse business models.

- We support the policy formulated by the Ministry of Housing and Urban-Rural Development on promoting a diversified housing supply, and have explored financial services in the rental market.
- We have established reasonable loan standards for first-time homebuyers among new urban residents. In addition, we conduct scientific credit evaluations, and continue to enhance the convenience of borrowing and repayment, making the process more accessible and user-friendly.
- We have implemented differentiated housing loan policies, and dynamically adjusted housing loan strategies while prioritizing the support for first time home buyers or people in improving their housing situation.
- Hua Xia Bank has established an office dedicated to providing financial services to clients in the elderly care market, and provided comprehensive financial services to them through the "Hua Xia Yi Yang" product portfolio.
- The Bank has launched the private pension business system to provide third-pillar private pension services to customers.
- The Bank has provided comprehensive services based on private pension accounts, and launched a series of financial products for elderly care to fully build its own financial service brand in the elderly care market.



#### Case Supporting the development of the health care and elderly care industry

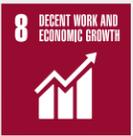
Nanjing Branch of Hua Xia Bank has extended a loan of RMB 1.9 billion to a Nanjing-based construction company, which is an affiliate of the Nanjing Municipal State-owned Assets Supervision and Administration Commission. The company is mainly engaged in the development and operation of health care and elderly care projects, including the demonstration project of the Nanjing Elderly Care Center. The loan was provided to facilitate the elderly care project of the company, utilizing the insurance debt investment plan.

#### Case Undertaking the project for paying wage arrears owed to rural migrant workers

The "payment of wage arrears owed to rural migrant workers" program is an important plan formulated by the Party Central Committee and the State Council to protect the rights and interests of rural migrant workers. After communicating with the Jingmen Municipal Labor Security Supervision Bureau, Wuhan Branch has gained access to the "Jingmen Real-name Management Information System for the Construction Filed," to monitor the funds in the special account for migrant workers' wages, thus promoting the resolution of wage arrears owed to rural migrant workers.



Wuhan Branch paying wages to rural migrant workers.



**FOCUSING ON  
INNOVATION**  
to Accelerate Empowering through  
Technology

We continue to pursue technology-driven innovation, constantly improving our digital infrastructure and upgrading our services in accordance with specific needs of our customers. We have expanded our service scenarios with an emphasis on the online and offline dual-drive approach, to enhance the overall financial service experience for our customers.

**Sustainability practices**

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- Accelerating business optimization and innovation-driven transformation to promote the development of digital finance.
  - Strengthening financial service capability to improve the accessibility of financial services.
- 

In 2022  
**82.7939** million  
Transactions handled by the mobile banking app

As of the end of 2021  
**926**  
Outlets set up priority counters for vulnerable groups

**924**  
Outlets with accessible facilitiesw

## Accelerating Digital Transformation

We continue to promote innovation in industry-specific digital finance, integrating industrial services with financial services to provide customers with a more efficient and intelligent experience in a broader range of financial scenarios. Our digital transformation efforts are focused on providing customers with more efficient, intelligent and high-quality services.

### Improving top-level design

In response to China's digital economy development strategy, the Bank, guided by the Hua Xia Bank 2021-2025 Digital Transformation Action Plan, aims to become a leading smart and eco bank that promotes both the industry-wide digital ecosystem and the consumption digital ecosystem. We have set six themes, namely the open ecosystem, precision marketing, smart operation, smart risk control, legal compliance, and value management, and reshaped our data-driven and technology-driven capabilities as well as capabilities in building a flexible organization and talent team. Additionally, we have established six mechanisms for incentives and fault tolerance to build a corporate-level agile organizational structure.

### Promoting data governance

We have enhanced our data governance and digital asset management by reinforcing data control from source to application and unlocking the value of data resources to achieve data transformation and value realization.

#### Assuring the quality of source data

We strive to improve the quality of our source data by focusing on 20 key tasks in important data application scenarios such as retail and operation management.

#### Reshaping the data governance structure

We rebuilt the three-tiered pyramid organizational structure containing planning, business application, and technical support.

#### Building data and information platforms

We planned to build a corporate-level data center that utilizes the "four horizontal and two vertical" data architecture and "two warehouses and two lakes" technology foundation. In addition, we are planning to launch our corporate-level blockchain technology service platform and privacy computing platform.

#### Strengthening data management capability

We promoted the establishment of corporate-level and project-level data management standards to identify and narrow gaps accordingly.

#### Designing data application scenarios

We designed a framework for data application scenarios based on the four themes of "precision marketing, smart operation, smart risk control, and legal compliance".

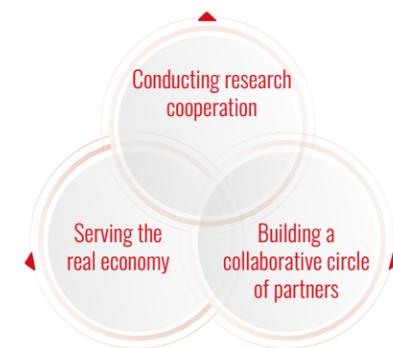
## Optimizing resource allocation



## Achieving win-win cooperation

We have strengthened communication and exchange with upstream and downstream partners and research institutions through digital transformation. By utilizing advanced technology theories and methods, we aim to facilitate the commercialization of sci-tech achievements and promote multilateral cooperation, and achieve win-win benefits for all parties involved.

We have signed a strategic cooperation agreement with the Beijing Academy of Blockchain and Edge Computing to promote research on the establishment of "blockchain + supply chain" application scenarios.



We have worked in collaboration with leading steel companies such as HBIS Group and Jianlong Steel to explore the use of digital technologies such as big data, IoT, 5G, as well as digital assets accumulated by them.

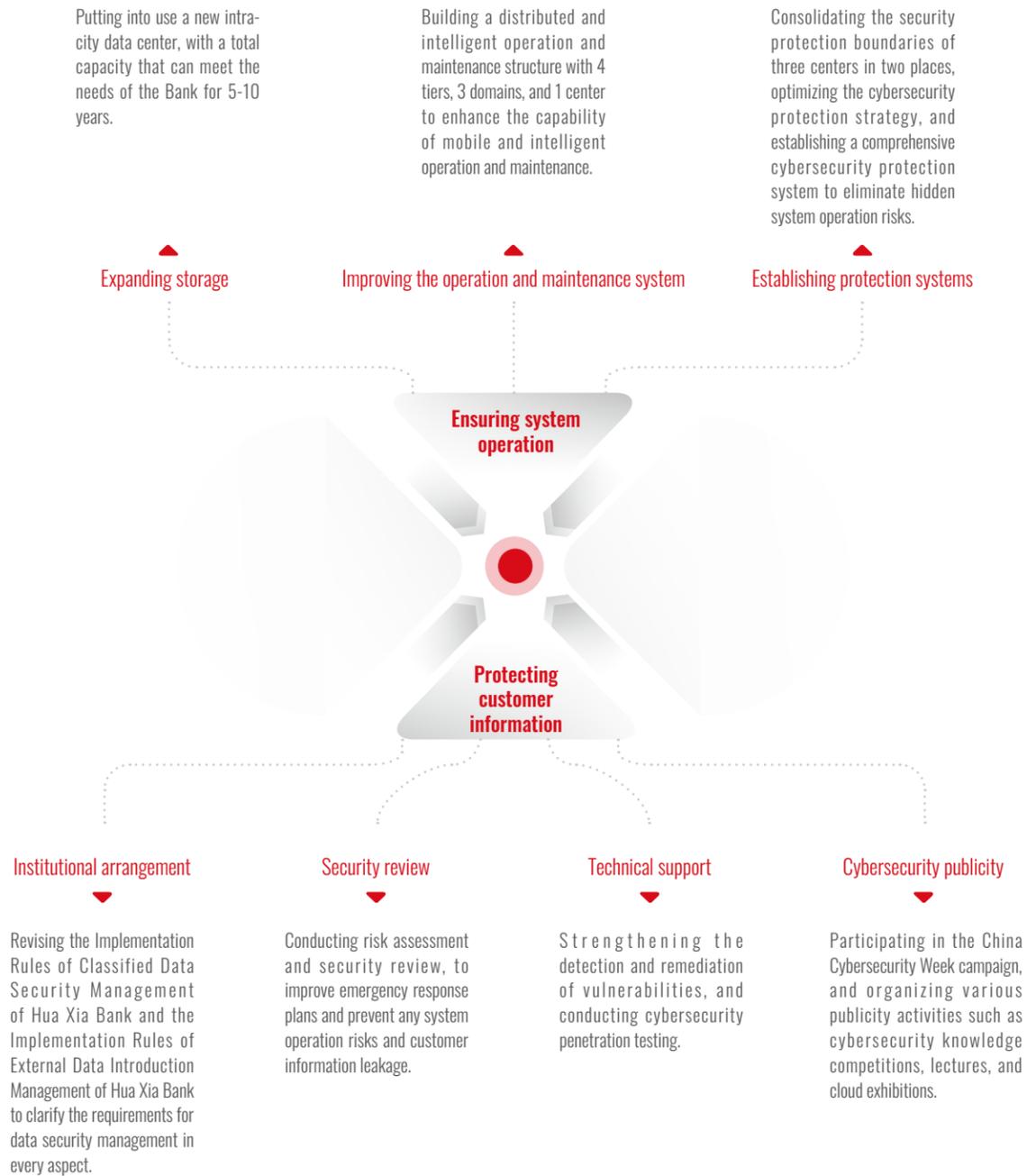
In cooperation with institutions such as XMYG Corporation, we have established a collaborative network of partners integrating warehousing, warehousing supervision, logistics, finance and other services, to enhance trade digitalization and commodity circulation efficiency.



Hua Xia Bank attending the 5th China Digital Inclusive Finance Conference (CDIFC)

## Protecting information security

The Bank intensified its efforts in cybersecurity to ensure stable operations of information systems, protecting customer privacy and assets. In 2022, all important information systems of the Bank maintained stable operations, achieving an overall availability rate of 100% during main business hours.



## Upgrading Corporate Banking Services

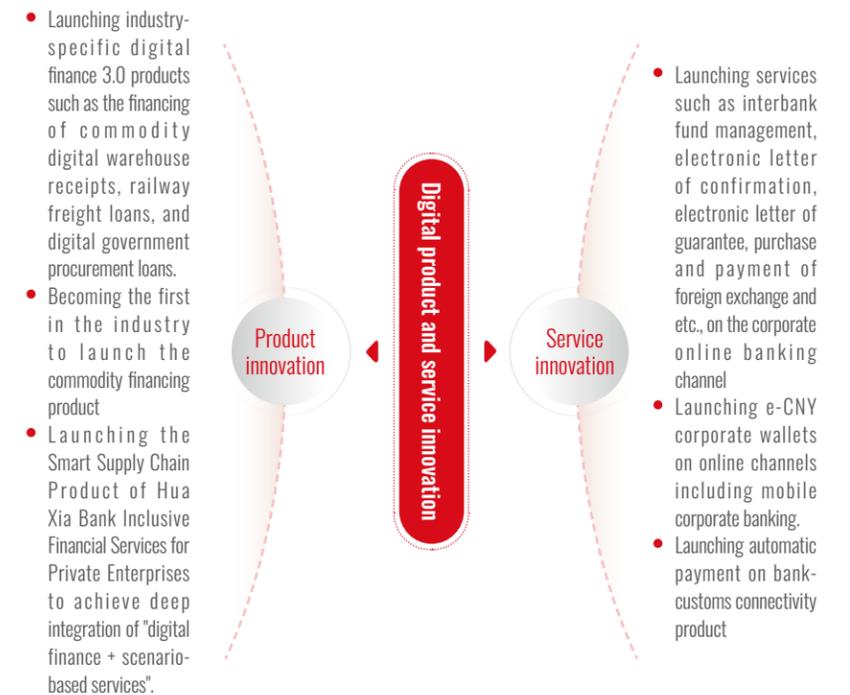
By utilizing financial technologies, we have expanded the coverage of corporate financial services, and boosted platform development, which promoted product and service innovation and created an interconnected and intelligent service ecosystem for enterprises.

### Advancing platform development

We have accelerated the use of technology to empower corporate banking services and further upgraded digital platforms such as the cloud platform for intermediary service, the corporate-level audio and video platform, and the dual platform of inclusive financial services for private enterprises. These efforts have enabled us to achieve full-chain business risk control and provide customers with convenient and secure corporate banking services.

### Facilitating product and service innovation

The Bank offers systematic service solutions to industries such as logistics, construction, steel, energy, chemicals, government procurement and etc. Through a focus on the diverse transaction scenarios across industry chains, the Bank provides targeted products and optimized services to enhance digital finance's ability to serve the real economy.



#### Case The first pledge loan against digital warehouse receipt

Wuhan Branch has established a collaboration with an online supply chain management platform, to initiate a pioneering pledge mechanism for digital warehouse receipts against liquid petrochemical products using advanced technologies such as 5G, the Internet of Things, blockchain, big data, and digital twins. This marks a significant milestone in the Bank's industry-specific digital finance 3.0 mode, and serves as a benchmark for the development of the Bank's industry-specific digital finance business.

### Strengthening strategic cooperation

We have built and consolidated the "headquarters-to-headquarters" communication platform to support the reform and development of key companies. In 2022, the Bank signed strategic cooperation agreements with 8 enterprises and government agencies, including China Chengtong, Beijing Stock Exchange, National Equities Exchange and Quotations, Xinjiang Production and Construction Corps, Beijing Municipal Medical Insurance Bureau, China National Agricultural Development Group, Beijing State-owned Capital Operation and Management Company Limited, and China Overseas. These partnerships aim to establish strategic cooperation and provide financial services to key companies more effectively.



Hua Xia Bank signing the strategic cooperation agreement with China Chengtong in Beijing



Hua Xia Bank signing the strategic cooperation agreement with China National Agricultural Development Group in Beijing

### Improving Service Quality and Efficiency

At Hua Xia Bank, we are committed to providing customer-centric financial services that are convenient, efficient, and comprehensive. We continuously strive to improve our services by actively listening to and responding to customer feedback and suggestions. Our focus on high-quality services is driven by our dedication to meeting the diverse financial needs of our customers and helping them achieve their life goals.

### Accelerating outlet transformation

With the goal of improving customer experience and creating value, we are fully committed to promoting the transformation and upgrading of our outlets from 1.0 to 2.0. Focusing on digital empowerment and scenario incubation, we accelerate the transformation and upgrading of our outlet services towards scenario-based eco-services, integrating comprehensive and characteristic financial and non-financial businesses. By the end of 2022, the Bank has carried out outlet transformation in 27 branches and reopened 42 outlets after renovation.

The Bank has optimized its self-service banking systems, transferring over 90% of frequent personal counter services on the systems. The improved equipment performance and customer service capabilities have significantly enhanced customer experience and accelerated the digital transformation of outlets. This has effectively reduced counter services and prevented operational risks.



Transformed and upgraded the outlet of Kunming Branch



Self-service banking facilities at Zhengzhou Branch

As of the end of 2022

**987**

Branches in total

**122**

Cities above prefecture level covering all provincial capitals (except for Tibet) across the country

**917**

Self-service banking facilities

**3,054**

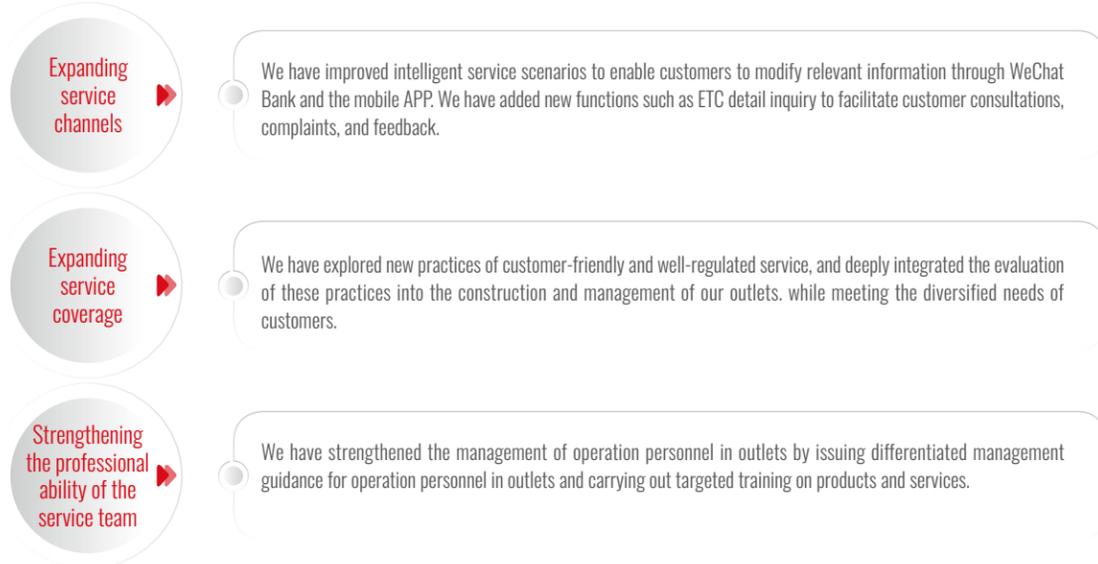
Self-service banking machines

**3.09**

Machines for each outlet on average

## Improving service efficiency

As a customer-oriented financial institution, we strive to enhance the sense of security, trust, and satisfaction of our customers. To achieve this, we have consolidated our service foundation, improved our service system, and optimized our service modes.

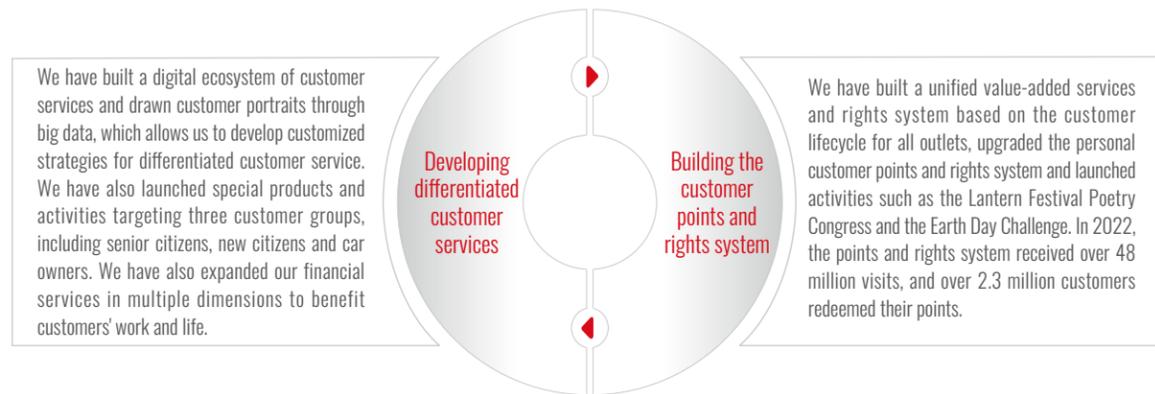


## Optimizing customer service

Our focus has always been on providing customer-centric services that create value. We are dedicated to continuously improving the quality, efficiency, and overall satisfaction of our services, as well as making every effort to offer considerate financial services.

## Valuing customer experience

We have strengthened our services across different fields and customer groups to deliver superior products and services that are both convenient and efficient, thus ensuring an enhanced customer experience.



Nanjing Branch establishes a mobile financial service team



Wuxi Branch improves service experience for special groups

## Customer satisfaction management

We conduct regular surveys on customer satisfaction to gauge customer satisfaction with our services, and actively collect customer feedback and suggestions. By closely monitoring and responding to changes in customer demands, we strive to continuously improve our services and enhance customer satisfaction. In 2022, customer satisfaction with the Bank's 95577 hotline was 99.63%.

## Serving customers with special needs

We prioritize the needs of customers with special requirements by providing tailored financial services and enhancing our care for the elderly, infirm, sick, disabled, and pregnant individuals, to comprehensively improve customer services.

We have created a barrier-free environment with accessible passageways and convenient service facilities such as magnifying glasses, first-aid kits, and priority seats in outlets



To provide better services for customers with special needs, we have set up priority counters and offer one-on-one services for vulnerable groups such as the elderly, infirm, sick, disabled, and pregnant. We have optimized our mobile and internet applications to make them more friendly for the elderly. Additionally, we provide extended services for customers with special needs.

## As of the end of 2022

**924**

Outlets with accessible facilities put in place

**926**

Outlets with priority counters for vulnerable groups set up

**5.2938 million**

Elderly clients



# GUARDING AND PRACTICING

the Green Philosophy

To deepen our green finance strategy that supports China's goal of carbon peak and carbon neutrality, we make every effort to promote ecological progress, develop green finance as a new characteristic and a new edge. Our aim is to become a leading player in the green finance sector during China's low-carbon era.

## Sustainability practices

- Promoting green finance by diverting the stream of financial resources to greener and cleaner sectors
- Strengthening our climate risk management, and establishing systems and procedures for environmental risk management
- Enhancing biodiversity conservation and publicity
- Conducting green procurement, promoting green offices and engaging in a variety of eco-friendly public activities

As of the end of 2022

**RMB 247.035** billion

Balance of green loans

**RMB 252.145** billion

Balance of climate-related financing business

**RMB 28.969** billion

Accumulative value of ESG-themed assets under management

**2.6179** million

ETC cards users in total

## Developing Green Finance

As of the end of 2022

**RMB 247.035 billion**

Balance of green loans

**RMB 38.558 billion**

Increase from the beginning of the year

**18.49%**

Increase percentage

Equals to

**1.175 million tons**

Standard coal equivalent saved

**2.786 million tons**

CO2 reduced

**11.214 million tons**

Water saved

The Bank highly values the development of green finance and aims to put forward the strategic goal of "making every effort to develop green finance as a new characteristic". To this end, we have adopted measures to transform the credit structure, increase green investments, innovate green products, practice ESG philosophy and enhance international cooperation. We aim to maximize the positive impact of green finance on promoting social and economic green transformation, and amplify the external positive impact of our investments and financing activities on the environment.

### Supporting green credit

In line with the Bank's commitment to supporting national goals of carbon peak and carbon neutrality, we have implemented credit and financing policies aimed at advancing our green finance strategy. This has included a strong focus on industry policies and regulatory supervision of the green finance sector, as well as ongoing efforts to improve management practices and leverage the latest technologies to capitalize on the current momentum in the national green finance movement.

#### Case Green loans facilitate energy conservation and carbon reduction

Shaoxing Branch is engaged in practicing the green development idea. It offers customized financing services and solutions for businesses with high energy consumption, such as a packaging limited company and its associated enterprises. Through green loans, the businesses were able to introduce the most advanced packaging production line in China and complete their technical transformation for energy conservation and carbon reduction two years ahead of schedule, thus promoting their green transformation.

#### Case Boosting energy efficiency and utilization rate by upgrading

Shijiazhuang Branch formulated a comprehensive green finance plan for an energy comprehensive development limited company in Hebei Province, and provided it with working capital loans worth RMB 100 million to cover the expenses of desulfurization and denitration. The Branch's financial support of the place where the company is located in improving energy efficiency and building a greener environment has yielded significant environmental and social benefits.

#### Case Offering green loans to underpin sewage treatment

Shenyang Branch focused on supporting the construction of a sewage treatment plant in a chemical industry park in Liaoning Province. The total investment of the project was RMB 383 million and RMB 243 million was borrowed by the Bank. The loan was used primarily for Phase I of the construction project, which aimed to reduce pollution around tributaries and minimize the impact of pollution on surface and underground water.



Guangzhou Branch facilitates the intelligent manufacturing of new energy vehicles

### Developing innovative green products

We continue to develop distinctive investment businesses for green finance, strengthen the green application of financial products and interaction with our branches and other businesses, and strive for innovative green finance products and business patterns.

As of the end of 2022

**RMB 21.111 billion**

Balance of green investment

#### Case Fujian SOEs witness the first green bonds denominated in USD

Xiamen Branch and Hong Kong Branch jointly supported the Traffic Group in issuing the first green USD bonds for Fujian SOEs and Fujian Zhonglong Group Co., Ltd, the first investment-grade green sustainability-linked overseas bonds in Fujian Province. Each bond is worth USD 500 million and has a bond maturity of 3 years.

#### Case Issuing the first green sustainability-linked USD bonds under "dual-ESG architecture"

Kunming Branch issued the first green sustainable USD bonds under a "dual-ESG architecture", raising USD 230 million and investing USD 30 million. These bonds are unique as they are the first to have dual-ESG certificates, which are not seen in SDG finance both domestically and internationally.

#### Case Issuing sustainability-linked bonds

Zhengzhou Branch supported Pingdingshan Tianan Coal Mining Co., Ltd to issue sustainability-linked bonds worth RMB 1 billion with a 3-year bond maturity.

In 2022

**RMB 2.631** billion

ESG-themed assets under management

As of the end of 2022

**RMB 28.969** billion

Accumulative value of ESG-themed assets under management

## Practicing ESG philosophy

The Bank integrates ESG factors (environment, society and governance) into the entire investment and decision-making process. We are committed to implementing the ESG philosophy throughout the Bank, strengthening our efforts towards the informatization of green finance, improving our standardized management, and actively participating in ESG-related research and exchanges. Through these initiatives, we aim to reinforce our commitment to building climate banking systems.

### Case Hua Xia Wealth Management Co., Ltd. continues to tap into SDG finance

Since 2020, Hua Xia Wealth Management Co., Ltd. has been a signatory of the United Nations-supported Principles for Responsible Investment Association, and as such, actively promotes responsible investment principles across the country.

In 2022, Hua Xia Wealth Management Co., Ltd. and the Chinese University of Hong Kong, Shenzhen released Annual Report on ESG Investing in China's Asset Management Industry 2022 for the third consecutive year. It also joined hands with the Climate Initiative Bonds (CBI) and the Chinese University of Hong Kong, Shenzhen to release the Report on Research Results of China's transition in Finance. Hua Xia Wealth Management Co., Ltd. was also involved in developing three national ESG group standards that have already been issued. It was invited by the Ministry of Finance of the People's Republic of China, Beijing Municipal Administrative Center, Principles for Responsible Investment Association and other organizations to share its TCFD and ESG practices, demonstrating its contribution towards building a climate banking system.

### Case The 4th ESG Investing Forum for Asset Management in China

On December 29, Hua Xia Wealth Management Co., Ltd. held the 4th ESG Investing Forum for Asset Management in China virtually. The forum focused on the national carbon goals and discussed the future trends of economic development, leading-edge policies of carbon peak and carbon neutrality, and the new paradigm for ESG investment. The event attracted over 3.23 million online viewers.



Assisting in demonstration project of the rooftop distributed photovoltaic and new energy vehicle photovoltaic storage and charging of Yuhuan Commercial Exhibition Center in Taizhou

## Facilitating international cooperation

We continue to facilitate international cooperation on green finance and foster close partnerships with organizations such as the World Bank, Asian Development Bank, Agence Française de Développement and other international financial organizations. We continue to optimize policies and improve our professional capacity, project management and executive capacity to better leverage our role in promoting high-quality development via green finance.

### Case Improving the environment with various parties

The Beijing-Tianjin-Hebei Air Pollution Control Financing Innovation Project, our relending project from international financial organizations, has taken effect. This project involves the largest amount of capital in the history of China's cooperation with the World Bank and marks the World Bank's first energy project that uses the results-based financing approach. We have provided strong financing support to the sub-projects to boost energy efficiency, promote renewable energy and control pollution in the Beijing-Tianjin-Hebei Region.



Tianjin Branch distributes green loans to support the PV generation project of a central SOE.

## Cultivating green culture

Regarding green finance as a major development target, the Bank makes every effort to pursue "Green Growth for a Better China". To achieve this, we have increased publicity for green finance to raise staff awareness and help them foster the value of eco-friendliness. We champion a green lifestyle and consider offering green financial services to customers as a code of conduct for our employees. By doing so, we aim to cultivate and prioritize a green culture within the Bank.

## Addressing Climate Change

In line with China's domestic development dynamics and in compliance with the requirements of supervision under the market and government, the Bank is committed to deepening its green finance development strategy and continuously improves its environmental and climate risk management practices to support the goals of carbon peak and carbon neutrality. In 2022, the Bank issued the Report on 2021 Environmental Information Disclosure, the first head office-level environmental information disclosure report among national joint-stock commercial banks that met the disclosure requirements of the People's Bank of China and the Task Force on Climate-Related Financial Disclosure (TCFD).

### Governance architecture

The Bank continues to improve its governance architecture for green finance, including the management of environmental and climate risks, and strives to establish a sound system for the development and management of green finance.

Strategies	<ul style="list-style-type: none"> <li>The Board of Directors establishes our green credit development strategy and tightens the supervision of its implementation and reviews the green credit objectives formulated by the senior management department and the green financial reports.</li> <li>It formulates risk management policies for environmental risks and climate risks, and assesses the status of risk management.</li> </ul>	Board of Directors
Comprehensive management	<ul style="list-style-type: none"> <li>The Green Finance Management Committee ensures a coordinated approach to implementing the green finance strategy and reviews plans related to green finance.</li> <li>It works to ensure coordinated cooperation among sectors on green finance and sound implementation of relending projects from international organizations.</li> <li>It coordinates corporate affairs concerning environmental risk management.</li> </ul>	The Green Finance Management Committee
Forging ahead	<ul style="list-style-type: none"> <li>The Head Office Green Finance Center sets development targets and plans for green finance, and improves relevant systems and processes.</li> <li>It manages corporate affairs including green financial business, marketing procedures, product research and development and brand management.</li> <li>It conducts environmental and social risk management.</li> <li>15 key branches have green finance departments.</li> <li>The departments are responsible for branches' green finance operations and management, marketing procedures and environmental risk management.</li> </ul>	The Head Office Green Finance Center  Green finance departments at different branches

### Policies

We operate in accordance with the guidelines of the CPC Central Committee and the State Council, and have established systems and mechanisms for green finance as well as environmental and climate risk management.

The 2021-2025 Development Plan of Hua Xia Bank aims to "make every effort to develop green finance as a new characteristic", showing our growing support for the green industry. We formulated the Rules of Green Finance Management of Hua Xia Bank, Guiding Opinions on the Credit Business Environment and Social Risk Management for Legal Persons from Non-financial Institutions of Hua Xia Bank, and Green Code of Conduct in Hua Xia Bank. The policies clarify governance responsibilities and help optimize our environmental and social risk management mechanisms. We have also built an assessment system for green finance in an attempt to promote green offices and sustainable development within the Bank.

## Risk management

Giving priority to environmental risk management, we identify, measure, monitor and manage the environmental risks in the credit business. We carry out stress tests to quantify environmental and climate risks. In line with the principles of full coverage, classified management, and dynamic control, we continue to improve our environmental risk management mechanism throughout the entire process. Our objective is to improve our capacity to manage environmental and climate risks.



## Targets

We will strengthen our support for the green industry and continue to improve the proportion of green loans and the total amount of green financial business.



We will strengthen environmental risk management to avoid credit business losses caused by poor environmental and climate risk management.

We will practice green operations, implement low-carbon management and strive to achieve our own carbon neutrality by 2025.

## Protecting Biodiversity

We fulfill our social responsibility by contributing to the conservation of biodiversity and managing the risks associated with our investment and financing activities. To our corporate ecological value, we develop sustainable financial products and provide stronger financial support for biodiversity conservation.

In 2022 in the second phase of COP15 held in Montreal, Canada, the Bank issued the Common Action Plan for Banking Sector to Support Biodiversity Conservation in cooperation with China Banking Association and domestic and foreign financial institutions, which positioned the Bank as one of the first batch of businesses that have registered in the "Environmentally and Financially Supported Project Management System" developed by the Ministry of Ecology and Environment of the People's Republic of China. We further increased project reserves and innovated new approaches to loan distribution to provide more sustainable financial products.

### Case Protecting Chinese alligators

The Chinese alligator is one of the top 20 most endangered animals in the world and is under first-class state protection in China. Hangzhou Branch provided a loan of RMB 19 million to Zhejiang Chinese Alligator Reserve Management Co., Ltd. to replenish its floating capital. This loan will enable the company to allocate more funds toward biodiversity conservation.

### Case Framework Agreement on Bank-government Cooperation on Marine Fisheries signed with Fujian Provincial Department of Ecology and Environment

Fuzhou Branch and the Fujian Provincial Department of Ecology and Environment signed the Framework Agreement on Bank-government Cooperation on Marine Fisheries. This agreement aims to provide financial support for the construction of major environmental projects, the pilot model of environmental protection-oriented EOD, green circular economic development, and other sectors. By working together, our customers in the environmental sector in Fujian Province will have access to better services, and we can help Fujian Province build itself into a green economic zone.



Fuzhou Branch and Fujian Provincial Department of Ecology and Environment sign the Framework Agreement on Bank-government Cooperation of the Department of Marine Fisheries.

## Building Greener Life

We uphold green travel and green transactions and call upon the public to foster a green lifestyle and raise environmental awareness.

### Encouraging green travel

In accordance with national policies, we have introduced electronic toll collection on expressways and bridges, allowing customers to save transit time, relieve traffic congestion, reduce air pollution, and promote green travel.

#### As of the end of 2022



It is estimated that an LDV on ETC driveways instead of on manual toll driveways can realize



### Facilitating green transactions

With a focus on the paperless transformation of the counter, we continuously promote the comprehensive integration of counter transactions, achieving the digitization of paper vouchers, customer signatures, and bank seals, and further deepening green and low-carbon financial services.

#### As of the end of 2022



# Practicing Green Operations

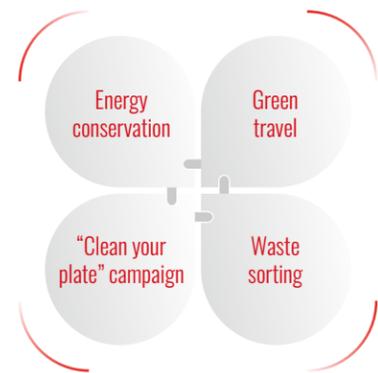
We acknowledge the impact of our corporate operations on the environment and promote green offices and green procurement. We actively engage in eco-friendly public activities to reduce resource consumption, improve energy utilization rates, and decrease harmful emissions, thereby cultivating a culture of green and low-carbon living.

## Green office

Adhering to green philosophy, the Bank upholds green production to reduce energy consumption, and seeks to raise staff awareness of frugality, environmental protection and a sense of responsibility. By taking small steps towards greener workplace culture, we aim to foster a healthy and sustainable work environment.

**Energy conservation** We have installed LED bulbs and other energy-efficient consumer equipment in our green offices. To save energy, we introduce measures to ensure lights and taps are turned off if not used, and reduce printers and materials.

**Green travel** We strictly implemented requirements to manage company-financed vehicles and deployed the vehicles reasonably. We encouraged employees to commute by bus, subway or bike or on foot, thus contributing to fewer exhaust emissions by motor vehicles.



**“Clean your plate” campaign** Our staff canteens restricted food quota to reduce kitchen waste and the staff was encouraged to eat at home or outside.

**Waste sorting** Waste sorting facilities were set up in offices. Specifications were in place for employees to sort waste, improving waste sorting efficiency.

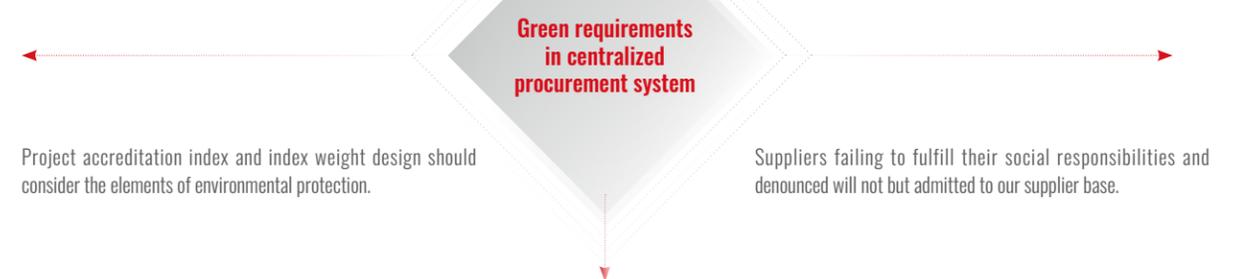
Indicators	2020	2021	2022
Total water consumption of Head Office (ton)	33,193.13	34,423.6	35,248.58
Total power consumption of Head Office (kWh)	51,340,078.62	60,577,508.3	64,336,569.73
Total fuel consumption from company-financed vehicles of Head Office (litre)	24,607.26	27,808.22	18,589.04
Total paper consumption of Head Office (ton)	20.83	20.89	17.61

## Green procurement

We conducted centralized procurement and established over 10 policies such as the Administrative Measures for Centralized Procurement, Administrative Measures for Tendering, Bidding and Procurement and Working Rules of the Centralized Procurement Committee, aiming to improve the transparency and standardization of our procurement work and promote green procurement.

The Rules define the parameters for suppliers who wish to do business with us, including their green capacity and social responsibility performance.

Professional management departments are encouraged to prioritize the procurement of innovative and green products.



Project accreditation index and index weight design should consider the elements of environmental protection.

Suppliers failing to fulfill their social responsibilities and denounced will not be admitted to our supplier base.

## Green charity

We organize various eco-friendly public activities to engage employees in environmental protection, such as volunteering at garbage collection stations in target communities, signing a letter of commitment on waste sorting, cleaning up community garbage, and conducting voluntary tree planting. By actively reducing carbon emissions and promoting green initiatives, we strive to contribute to building a greener and more eco-friendly country for all.



Nanjing Branch holds a themed public welfare activity on Tree-planting Day.

### Case Voluntary sanitary service

On March 4, Chongqing Branch joined hands with the volunteer team of the Chongqing Youth League and the community to provide voluntary sanitary services. The volunteers were organized to collect the garbage scattered around Binjiang River Dam, exemplifying Lei Feng's spirit through practical actions. The service helped enhance employees' awareness of labor, environment, and social responsibility, taking a step forward toward sustainable development.

For more information on green finance and the environment, please refer to the Environmental Information Disclosure Report.



# OPERATING HONESTLY

to Achieve Sound Development

To pursue high-quality development while maintaining prudent operation, we comprehensively promote the construction of long-term mechanisms for compliance management and operations, enhance risk prevention capability, and protect consumers' legitimate rights and interests.

## Sustainability practices

- Ensuring compliance in operations while following laws and regulations, improving the internal control and compliance management mechanisms, and promoting a culture of the rule of law
- Strengthening risk prevention and control, improving the long-term risk management mechanism, and pursuing professional risk management
- Safeguarding the legitimate rights and interests of customers and carrying out financial knowledge publicity and education activities.

In 2022

**3,624**

Training sessions on compliance held

**3,734**

Training sessions on anti-money laundering

**28,453**

Public education sessions

As of the end of 2022

**1.75%**

Non-performing loan (NPL) ratio

**158.99%**

Provision coverage ratio (PCR)

## Ensuring Compliance

To safeguard the bottom line of compliance, the Bank improves its internal control and compliance management mechanisms, prevents illegal financial activities, provides precedents to promote vigilance, and fosters a culture of the rule of law and compliance to ensure honest and compliant operations.

### Improving the internal control and compliance system

To achieve sound development, we ensure compliance in operations by improving an internal mechanism for compliance management and promoting the construction of a compliance management system based on the requirements of regulators.

The Bank has revised the Measures for Risk Management for Compliance, and established a joint review mechanism for compliance risks under the co-management of the first and second lines of defense. We have also consolidated the primary responsibility of business lines and exercised gate-keeping for business lines with compliance, to enhance the prevention and control of risks from the source.

As we promote the digital empowerment of business system management, we have built an enterprise-level policy framework for businesses, constructed a database for group businesses, and facilitated the integration of the policy framework with business development.



We revised the Measures for the Management of Employee Conduct and have implemented the corporate culture concept of "integrity, standardization, efficiency and progress" to promote an honest and upright financial culture.

We have established a grid supervision and inspection mechanism covering the Head Office and Branches at the operation management level by strengthening the "second line of defense" and improving the quality and efficiency of the "first line of defense".

**Case** **The Bank launches campaigns of "Pursuing Long-term Development in Stability with Full Compliance" and "the Comeback Year of Authenticity of Credit Business".**

To improve the compliance operations of the Bank, we organized activities of various themes, such as optimization of systems, case presentation, compliance information quizzes, and management of authenticity problems of credit business. We conducted 1,413 case presentations at different levels and categories, covering over 44,400 participants; 26,939 people studied and participated in the legal compliance information quizzes; 1,835 people were alerted to be compliant; 738 problems were detected in the examination of the authenticity of credit business, thereby effectively improving the compliance operation of the Bank. Through these programs, we encourage employees to operate in accordance with the law and raise awareness of compliance to contribute to a compliance culture.

In 2022

**3,624**

Training sessions on compliance held

**118,533**

Participants in total

**496**

Lectures and training sessions on anti-financial crimes organized

**32,573**

Participants in total

**3,734**

AML training sessions held

**137,755**

Participants in total



Shenzhen Branch's activity on "Pursuing Long-term Development in Stability with Full Compliance"

### Promoting the rule of law

The Bank promotes the rule of law in various ways. In addition to strengthening our legal risk control, we organize educational seminars on the rule of law, advance the construction of our legal professional team, and reinforce our collectivized legal risk management to foster a workplace culture of integrity.

The Bank prioritizes compliance with laws and regulations in managing important matters of major projects.

With a focus on the legal risk prevention and control needs across various business areas, we have formulated and issued judicial interpretations and actual business operations, thereby enhancing our foresight in prevention and control.

Special inspections have been conducted to supervise the effective implementation of various legal risk control requirements.

We enhance the Bank's legal risk prevention and control capability, we have organized special training on Personal Information Protection Law and the Civil Code of the People's Republic of China.



We conduct special inspections on the prevention, control, and resolution of major risks of our subsidiaries to promote the Group's risk management strategy, urging our subsidiaries to abide by the law and prevent risks, and enhancing their legal risk management capabilities.

We have promoted the improvement of a training and incentive mechanism for legal professionals to ensure the coverage of the professional legal team in all branches.

**Protecting intellectual property rights.** The Bank is committed to protecting the legitimate rights of its own intellectual property rights and defending its brand reputation and service quality. We regulate the use of intellectual property rights, and prevent and control the risk of infringing others' intellectual property rights, thereby demonstrating our responsibility for fair competition in the market.

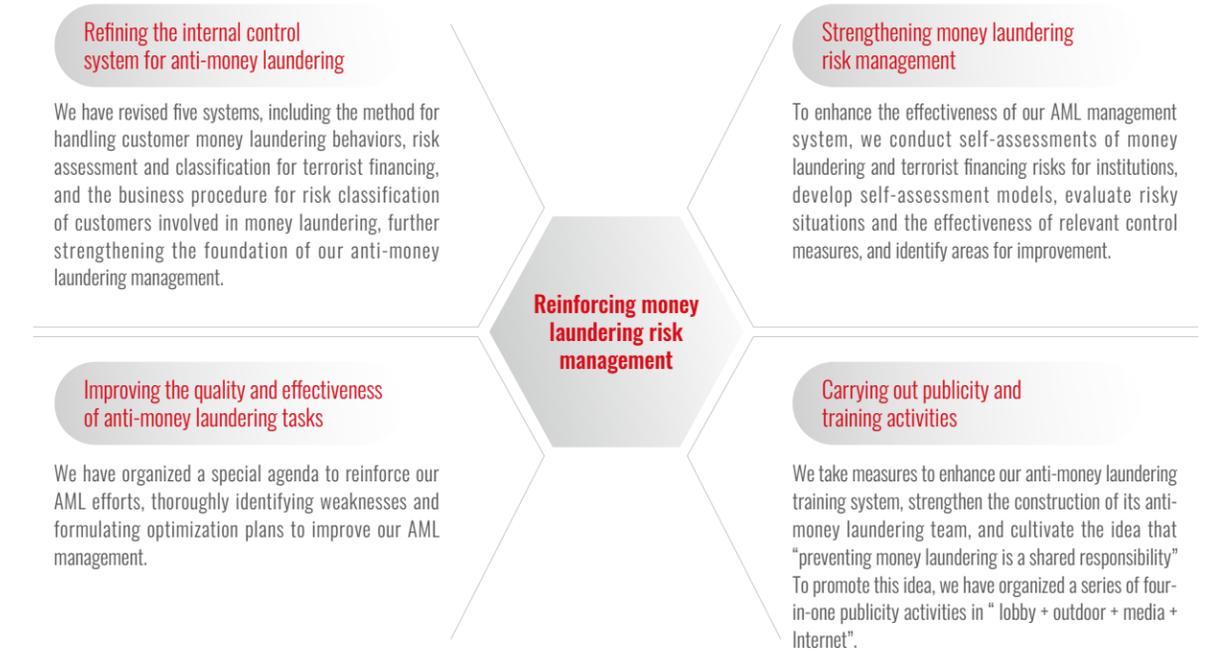
## Ramping up to guard against crime risks

Among our efforts to consolidate risk prevention and control defenses, Hua Xia Bank actively prevents illegal financial activities by investigating employees' abnormal behavior, deepening the accountability system and showing precedents to promote vigilance.

- Strengthening the risk prevention and control mechanism**
  - We have effectively prevented hidden risks by implementing a risk-examination mechanism, improving the verification of irregular behaviors, and investigating serious illegal and irregular problems such as illegal lending and improper capital transactions with customers.
  - To improve compliance and crime prevention awareness, we have strengthened the risk warning in business areas such as inter-bank deposits, counter business, and elderly customer service.
- Preventing illegal financial activities**
  - We have carried out regular anti-crime efforts by strengthening credit management and enhancing the gate-keeping, monitoring, and evaluation of cooperative institutions.
  - We have established a close collaborative working mechanism to prevent and combat illegal financial activities such as illegal fundraising, illegal lending, and financial fraud.
  - We launch the publicity on the Anti-organized Crime Law of the People's Republic of China.
- Examining the abnormal behavior of employees**
  - We conduct regular and comprehensive troubleshooting with 100% coverage.
  - We have strengthened our special investigation of "flying bills" (the practice of a sales clerk processing orders through other companies rather than their own), which is conducive to preventing fraudulent activities.
  - We have optimized the monitoring system and model for abnormal transactions in employees' accounts to improve the scope and accuracy of monitoring and warning.
- Improving accountability management**
  - We optimize the accountability system and deter employees from committing financial crimes through accountability and education, creating a strict atmosphere of accountability.
  - We have issued notices on accountability, analyzed common problems and specified the requirements for accountability management.
  - We conduct a self-examination of irregularities in investment responsibility operations to strengthen the accountability arrangements.
- Strengthening publicity and education on the rule of law**
  - We organize the "Guard Your Money to Ensure a Happy Family" campaign to prevent illegal fund-raising.
  - We have won the Organization of Excellence in the "Fighting Fraud and Boosting Compliance" Financial Fraud Prevention Knowledge Quiz.
  - To encourage the effective prevention of risky behaviors and enhance risk prevention awareness, we have established the Award for Stopping Financial Crimes and Handling Risk Events.

## Reinforcing money laundering risk management

We continue to improve the internal control system for anti-money laundering. By strengthening self-examination and intensifying publicity efforts, the Bank comprehensively enhances its awareness of money-laundering risks and improves the quality and efficiency of its management.



Nanjing Branch raises the public awareness of AML at the entrance of its sub-branch.



Hangzhou Branch conducts AML promotion especially for elderly customers.

## Building a Firm Defense Line

The Bank fully implements the decisions and deployments of the Central Party and government authorities and complies with national policies. Guided by our aim to serve the real economy and prevent financial risks, we have improved our risk management systems, strengthened risk prevention and control in key areas and key links, enhancing professional management of specific risks. We have also accelerated the digitalization of our risk control system and fostered a culture of risk awareness. We are committed to guarding against systemic risks and ensuring high-quality development.

As of the end of 2022

**1.75%**

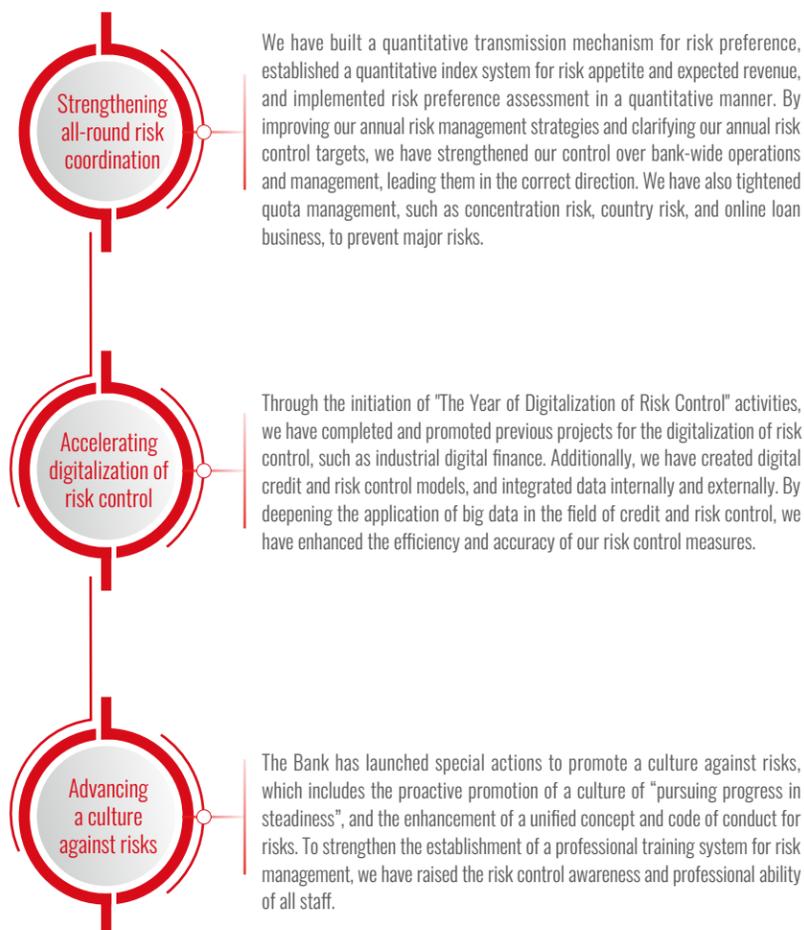
Non-performing loan (NPL) ratio

**159.88%**

Provision coverage ratio (PCR)

## Strengthening Enterprise Risk Management

Hua Xia Bank has enhanced the comprehensiveness, effectiveness, and advancement of its risk management efforts by refining its long-term risk management mechanism, upgrading its tools for risk control, accelerating the application of digital technologies, and fostering a culture of risk awareness.



## Case "Dragon Shield"- Intelligent Risk Control guards against business risks dynamically

We have enhanced the capabilities of the big data risk identification and early warning system – "Dragon Shield" to promote the utilization of big data in customer marketing, credit investigation, examination and approval, post-loan inspection, and asset preservation. This deepens our implementation of big data in credit and risk control, leading to improved efficiency and accuracy in risk management. The "Dragon Shield" system was awarded the Financial Insights Innovation Awards - FIIA by IDC China Digital Finance Forum.

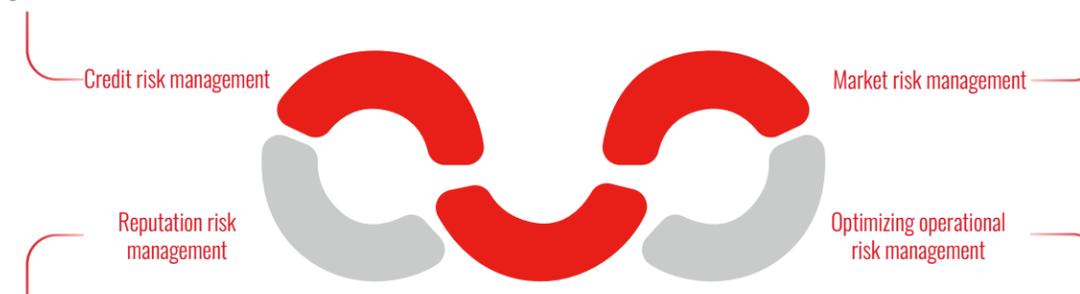


"Dragon Shield" wins Financial Insights Innovation Awards - FIIA

## Preventing and Controlling Specific Risks in Key Areas

The Bank has been continuously strengthening risk prevention and resolution in key areas to secure overall control of various risks.

- To improve the asset lifecycle management, we have actively worked to strengthen the formulation and implementation of policy systems, and optimized business structure, ensuring continued stability and improvement of asset quality.
- The Bank traces and interprets important national policies and economic operation to timely refine its policies and measures; We also orderly review and update the regional credit granting strategies, and continue to guide branches to effectively support the development of local real economy.
- We enhance our post-loan management by broadening our warning monitoring dimensions and establish normalized monitoring and analysis to manage the access and monitoring in key areas, effectively preventing new risks.
- We improve the asset preservation operation management mechanism, strengthen the centralized and classified management of non-performing assets, greatly promoting the quality and efficiency of collection and disposal.
- In line with the Measures for the Administration of the Large Capital Exposures of Commercial Banks, we actively strengthen the management of large capital exposures and monitor and report all the details on a quarterly basis, in order to steadily promote the establishment of the large capital exposure system. The risk control of key accounts at the headquarters and branches has been continuously strengthened.
- We closely monitor changes in the market to better understand market changes and related risks. We have improved the identification, and reporting mechanisms for market risks, which has helped strengthen our risk prevention and management efforts.
- Hua Xia Bank has optimized setting methods and indicator systems for quotas to strengthen quota monitoring and control.
- By launching a market risk management system and refining the counterparty credit risk measurement system, the Bank has multiplied its market risk measurement capability.

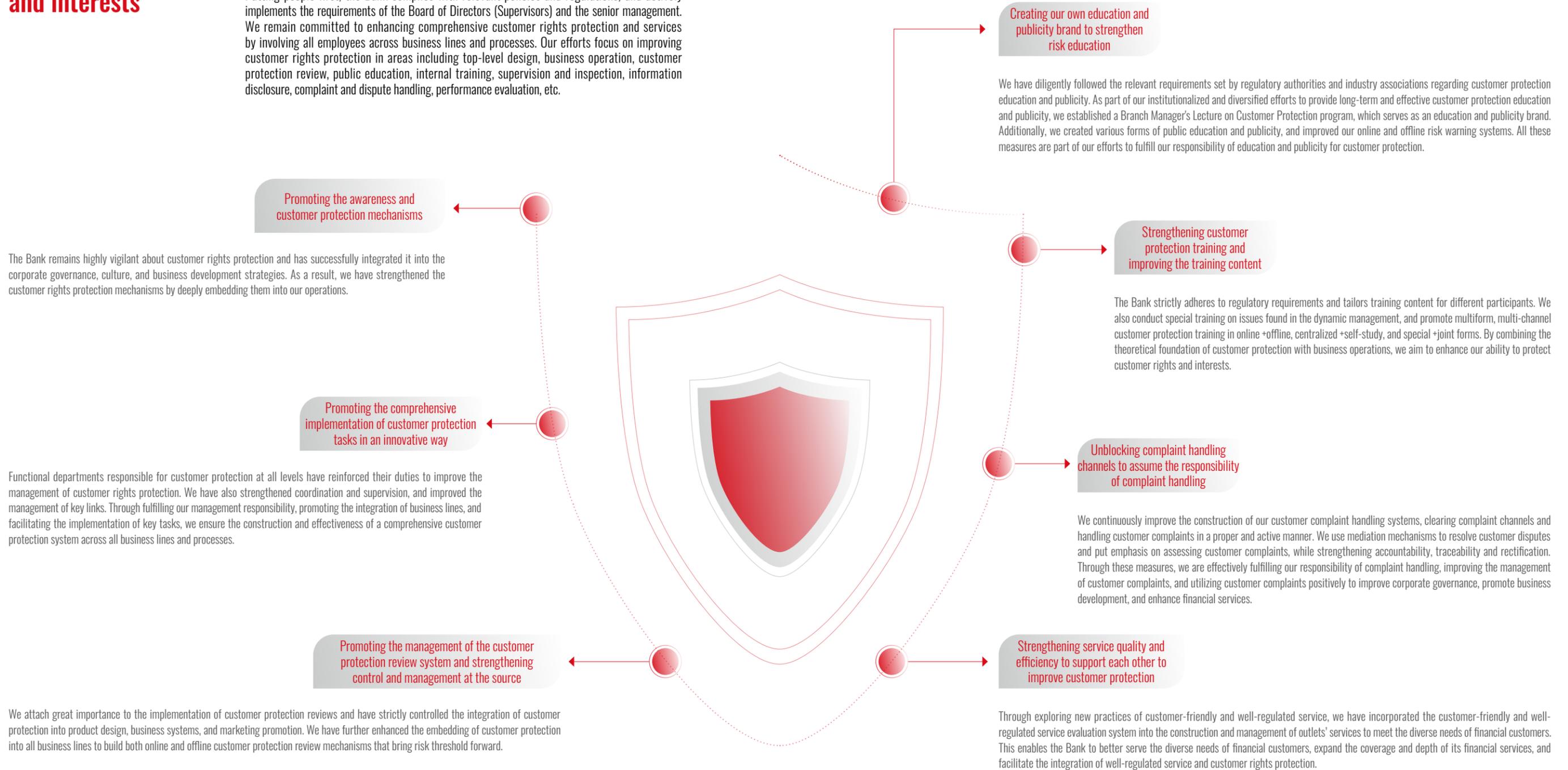


- The Bank has optimized systems and mechanisms by improving the reputation risk management system and mechanism and workflow for disposition.
- The Bank raises risk awareness, maintains a focus on problem identification, and fosters a culture that prioritizes reputation risk mitigation.
- The Bank places significant emphasis on strengthening operational work, consolidating primary responsibilities, enhancing risk warning mechanisms, and taking proactive measures to mitigate reputation risks, thereby effectively improving management practices.
- We have refined our assessment standards as well as audit and verification mechanisms to improve the quality and effectiveness of operational risk and self-assessment.
- Covering risks in key risk areas and key links, our management has improved the indicator system for key risks for early warning, so as to improve our operational risk monitoring capability.
- The Bank has also upgraded the management mechanism for operational risk events, and made adjustment to the operational risk management system's functions, including the cleaning and replenishment of lost historical data. These measures have adequately prepared us for the official implementation of the new standard law.

## Protecting customer rights and interests

Hua Xia Bank places significant emphasis on safeguarding customer rights by strictly adhering to various requirements for customer protection. This approach ensures that customer rights and interests are protected in an orderly manner.

Putting people first, the Bank complies with relevant policies and regulations, and actively implements the requirements of the Board of Directors (Supervisors) and the senior management. We remain committed to enhancing comprehensive customer rights protection and services by involving all employees across business lines and processes. Our efforts focus on improving customer rights protection in areas including top-level design, business operation, customer protection review, public education, internal training, supervision and inspection, information disclosure, complaint and dispute handling, performance evaluation, etc.



## Responding to customer complaints

The Bank has always attached great importance to the management of financial customer complaints. Guided by regulatory authorities and led by the Party Committee of the Bank, the Board of Directors, and the management team, Hua Xia Bank has always regarded complaint management as a key task in applying the people-centered development philosophy as an SOE.

We continuously improve the construction of our customer complaint handling systems, clearing complaint channels and handling customer complaints in a proper and active manner. We use mediation mechanisms to resolve customer disputes and put emphasis on assessing customer complaints, while strengthening accountability, traceability and rectification. Through these measures, we are effectively fulfilling our responsibility of complaint handling, improving the management of customer complaints, and utilizing customer complaints positively to improve corporate governance, promote business development, and enhance financial services.

We handle complaints in a timely and proper manner, strictly following the established procedures and never rejecting any complaint without justifiable reasons. In 2022, the Bank further strengthened the identification and early warning of complaint data. Based on the principle of accepting all possible complaints, we have expanded complaint

channels and further strengthened the management and application of complaint data. Throughout 2022, the Bank received a total of 112,980 customer complaints (including all complaints received by the Head Office, the credit card center, and all branches, and through the customer feedback worksheets). We completed the handling of 99.99% of customer complaints within 15 days, and resolved all customer complaints we received in 2022, achieving a 98.04% customer satisfaction rate for complaint handling.

Complaints concerning credit cards were mainly from Guangdong, Shandong, and Henan, and complaints involving other banking services were mainly from Beijing, Jiangsu, Guangdong, and Tianjin. Due to the economic challenges in 2022, complaints were mainly related to loan repayment consultation, repayment of personal loans (mainly mortgage loans and online loans), debt collection, credit adjustment services, and product returns related to wealth management and other financial products. In response to the above situation, while receiving and handling complaints in a proper manner, the Bank focused on complaint analysis and source control, and urged the continuous optimization of banking processes or services, leveraging the positive role of complaint management to provide better services for financial customers.



Branch Manager's Lecture on Customer Protection organized by Wenzhou Branch

## Carrying out public education on finance

To actively implement the requirements of regulatory authorities and industry associations such as the People's Bank of China and the China Banking and Insurance Regulatory Commission, we have strengthened public education and publicity on customer rights and interest protection. Through a variety of channels such as online and offline lectures, social media platforms, and financial education events, we aim to help key and vulnerable groups improve their understanding of financial knowledge and skills, and increase their risk prevention awareness and ability.

### Case The first finance-themed train in Henan Province co-created by Zhengzhou

On September 26th, the first finance-themed train co-created by Zhengzhou Branch in Henan Province was launched. The train carriage was decorated with original customer protection posters and slogans, and the branch's original customer protection cartoons were played on the TV. On the day of the launch of the train, Zhengzhou Branch organized its employees to disseminate financial knowledge to passengers on the train by distributing leaflets, centralized lectures, and award-winning Q&A. This practice not only fulfilled the Bank's social responsibility, but also improved the financial literacy of the public.



The first finance-themed train in Henan Province co-created by Zhengzhou Branch



Financial knowledge publicity in rural areas by Guangzhou Branch

By the end of 2022, the Bank had

**RMB 5,443,500**

Invested in public education

**555**

Themed activities held

**28,453**

Activities held in 2022

**32 million**

Attendees in total

**3,605,900**

Copies of brochures and leaflets distributed



# BUILDING A HARMONIOUS Society Through Joint Efforts with Loving Care

Always being people-oriented, we prioritize the well-being and career development of our employees. In addition to providing platforms for self-development, we work to build a team of outstanding financial talents. Through our active participation in social welfare activities with employees, we fulfill our social responsibility, demonstrating our commitment to making a positive impact.

## Sustainability practices

- Safeguarding employee's basic rights and ensuring equal employment and democratic management
- Empowering employee's career development and building a multi-level and full-coverage training system
- Protecting employee's physical and mental health and striving for employees' satisfaction and happiness
- Engaging in community-based charity and improving people's well-being

As of the end of 2022

**6,913**

Employee training sessions organized

**261**

Employees in need received assistance

**RMB 21.3853** million

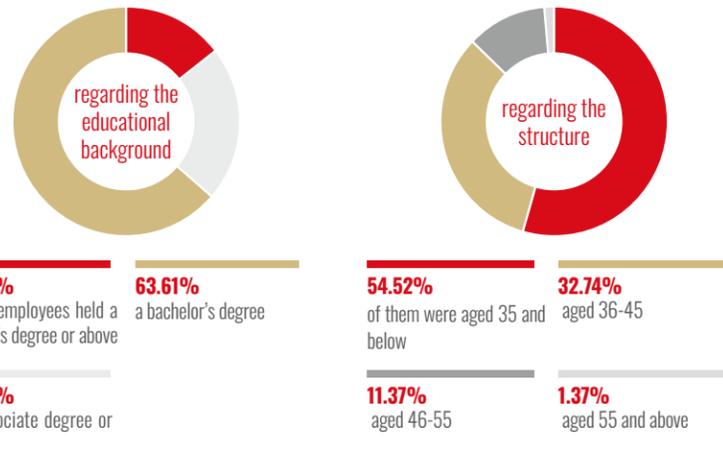
Charitable donations

## Paying Close Attention to Employees Rights

We abide by the Labor Law, Labor Contract Law and other Chinese laws and regulations strictly. Following the principles of transparency, fairness, and impartiality, we have established a diversified talent recruitment system that fosters an equal working environment where employees respect one another and their basic rights are protected.

### Promoting equal employment

Strictly abiding by relevant laws and regulations such as the Employment Promotion Law, the Bank provides equal and transparent employment opportunities to workers and fights against any form of discrimination regardless of race, gender, religious belief and cultural background, forging a diversified, harmonious and inclusive labor relationship.



### As of the end of 2022

**39,938**

Employees in total

**51.39%**

Percentage of female employees

**1,962**

Ethnic minorities

**100%**

Labor contract signing rate

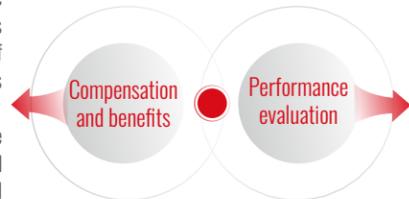
**100%**

Social insurance coverage rate

### Improving compensation and benefits

Hua Xia Bank has optimized its compensation management system. In line with the performance-based pay structure, we correlate employees' compensation with their performance appraisal. This system incentivizes continuous personal development and improvement among employees.

- The Bank signs collective contracts, collective contracts on salary, and labor contracts with employees in accordance with the law, and ensures timely and full payment of various social insurances for employees.
- The Bank sets reasonable working hours and ensures timely and full payment of remuneration to employees.
- Every employee is entitled to statutory holidays and paid leave.
- The Bank constantly optimizes the assessment and incentive mechanism and salary distribution system.
- We strengthen the assessment of the protection of consumer rights.
- The bank has incorporated social responsibilities such as serving the real economy, MSE services, and agriculture-related and rural vitalization into its performance evaluation.



### In 2021

**450**

Constructive suggestions received

**100%**

adopted and implemented

**106**

Employees' Congress meetings held

**5,395**

Participants in total

**81**

Proposals received

**213**

Staff meetings held

**2,134**

Grassroots employees attended

## Advancing democratic management

We have deepened our democratic management mechanism to respect the rights of employees to discuss and express their opinions. We provide unimpeded channels for employee feedback through various forms, such as the Employees' Congress, and the Homes of Employees and staff meetings, to better understand employee needs and demands.



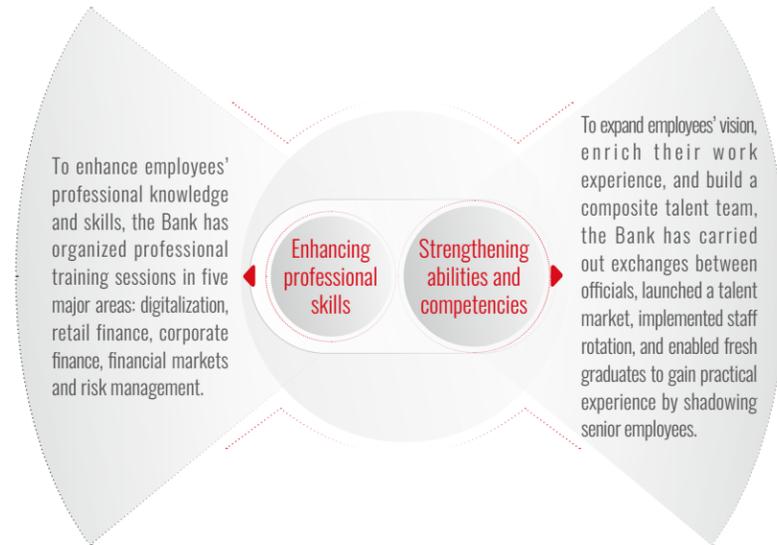
Chongqing Branch holds a staff meeting for young employees



Employees of Wenzhou Branch cast their votes at the Employees' Congress

## Caring About Employee Development

Hua Xia Bank remains committed to its strategy of enhancing the Bank through a high-quality workforce. To support the development of key talents and a professional team, the Bank has built a well-rounded and multi-level training system. This system offers customized courses to meet the needs of employees at different levels and in various roles, promoting their career advancement.



As of the end of 2022

**6,913**

Employee training sessions held

**640,050**

Participants in total

**1,269**

Training sessions on CSR, with

**153,804**

Participants in total

**126**

Training sessions on environmental protection, with

**7,400**

Participants in total

### Case Guangzhou Branch organizes "Young Hawk Training Program"

Guangzhou Branch organized the third phase of the "Young Hawk Training Program" and mentorship for new employees over a period of three weeks. The training program aimed to assist new employees in adapting to their workplace by focusing on five themes: "building self-image", "following the rules", "learning business procedure", "improving skills" and "expanding horizons". As a participant in the Second National HR Innovation Competition, the program won the Talent Development Innovation Brand Award.



New employees of Guangzhou Branch participates in "the Young Hawk Training Program"

## Caring About Employee Well-being

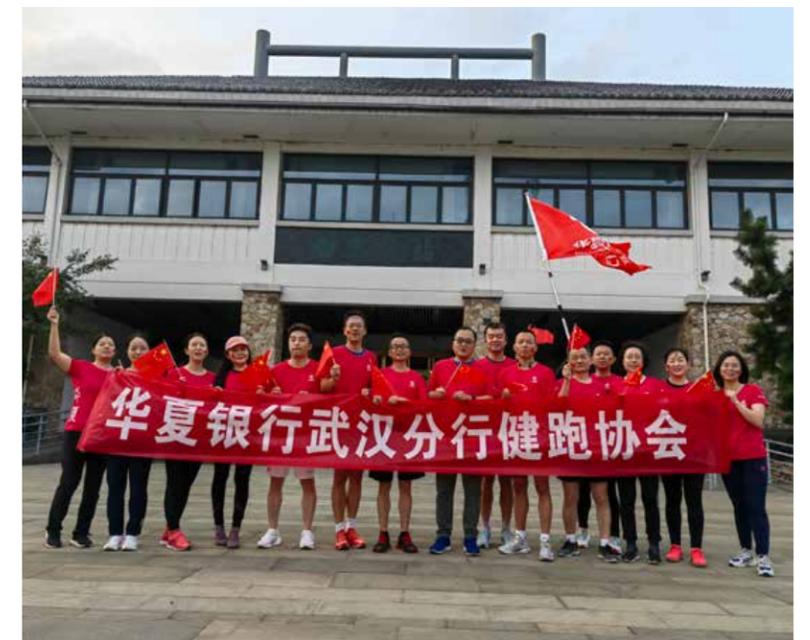
We place importance on the physical and mental health of employees, enrich their spiritual life, and improve their physique and create a good workplace by introducing new cultural and sports activities, building Homes of Employees, etc.

### Keeping a work-life balance

As an advocate of a healthy lifestyle, we organize and upgrade cultural and sports activities, enrich the cultural life of employees, and provide a platform for employees to demonstrate their talents, cultivating a relaxed working environment.



The Hong Kong Branch holds badminton matches



Wuhan Branch sets up a Running Association.

### Building home of employees

As of the end of 2022

**809**

Homes of Employees built in total, including

**125**

Models of Homes of Employees

**584**

Qualified Homes of Employees

The Bank keeps building the Home of Employees, equipped with fitness equipment, reading rooms, lounges, and other amenities. This is a reflection of our commitment to creating a democratic, happy, and caring environment that serves as a place for learning and business startups.



Employees of Hangzhou Branch read in the reading room of Home of Employees.



The activity room of the Home of Employees of Xining Branch

As of the end of 2022

**261**

Employees in need helped

**RMB 844,000**

Living allowances distributed

**RMB 324,100**

Medical subsidies distributed

**RMB 309,000**

Disaster relief subsidies distributed

### Visiting and helping employees

The Bank has established an employee relief fund to provide assistance and support to employees in need, particularly during major festivals. Our focus on the diverse needs of employees and our commitment to humanistic care have led us to establish channels for delivering aid to employees in need. We also carry out activities on different topics, to show our concern for retirees and female employees and meet the diverse needs of employees.



Representatives of Wuxi Branch visit and show support to employees in need.



Female employees of Wenzhou Branch cultivate potted-plant on Women's Day.



Shijiazhuang Branch launches visits during Spring Festival.

## Engaging in Public Welfare Undertakings

As of the end of 2022

1,756

Volunteer activities organized

17,523

Employees involved

18,625 hours

Volunteer activities offered

The Bank promotes volunteerism by establishing a volunteer service system that is “based in Beijing and serves the whole country”. We have carried out various public welfare activities.

### Participating in the Beijing 2022

The Bank pursues volunteerism by actively taking on urgent and difficult tasks, making contributions to important events such as the Games, and supporting security efforts.

#### Case Volunteering for the Beijing 2022

Hua Xia Bank was acknowledged for its efforts during the Beijing 2022. The Bank received a letter of appreciation from the supporting group of the opening and closing ceremonies. Selected young employees played a vital role in the supporting work of the Organising Committee for the Olympic Winter Games Beijing 2022 on-site, efficiently handling the organization and trace-tracking of more than 60,000 spectators through programming scripts, examining the data of more than 40,000 spectators, and conducting on-the-spot surveys four times. With a “10,000 people participate, 1,000 cars involved, respond in the shortest possible time” approach, the Bank demonstrated its courageous and selfless dedication.



Beijing 2022 volunteers

### Supporting charity

Committed to public welfare, the Bank encourages employee participation in volunteer activities. We continue to carry out various initiatives such as providing care for the elderly and underprivileged children, and charitable donations, contributing to the promotion of a harmonious and civilized society.

#### Case Launching “Plan for the Growth of Children of Sanitation Workers”

The Bank continues to place emphasis on the growth of children of sanitation workers and has launched the “Biodiversity - Embrace a Sustainable and Better Future” - Hua Xia Bank “2022 Plan for the Growth of Children of Sanitation Workers” on August 22. Through remote live broadcasting and interacting with others, the program provides an opportunity for the children to learn about biodiversity conservation from a global perspective, and the concept of sustainable development was upgraded from sanitation and environmental protection, reflecting the Bank’s determination to protect the environment and care for the children of sanitation workers, and spreading the concept of “the more sustainable and the better”.



#### Case We have carried out various public welfare activities that is based in Beijing and serves the whole country

With Beijing as the main base of the youth’s voluntary service, the Bank organizes young volunteers to actively carry out voluntary services such as “giving way to pedestrians at zebra crossings”, “garbage sorting” and “sending warmth in winter”. We also implemented the “With Bright Love-Happy Journey” project, accompanying orphaned children and children with special needs in Beijing’s Bright Love School. The Bank and the volunteers were honored with the outstanding organization and volunteers in Beijing on the Centenary of the Founding of the Youth League.



Volunteers from the Head Office carry out voluntary service activities.

The Bank organizes voluntary services within its branches across the country. For instance, the Shenzhen Branch carried out poverty alleviation activities under the theme of “caring for stay-at-home children”; the Youth League Committee of Shijiazhuang Branch created the program of “how much love has the inch-long grass” to provide warmth and care to local elderly widows and orphans; the Youth League Committee of Taiyuan Branch joined hands with the Taiyuan Education Bureau to set up the “House with Love” public welfare brand.



Volunteers from our branches carry out voluntary service activities.

## Outlook

The year 2023 marks the beginning of a new journey towards high-quality development and the full implementation of the guiding principles of the 20th CPC National Congress. Standing at the starting point of the new era, the Bank will adhere to the theme of "Serving a New Era and Building a New Hua Xia Bank", firmly executing the concept of sustainable development. We will continue to prioritize our mission of serving the real economy, while also deepening inclusive finance and promoting green finance. As we move forward, we will remain dedicated to fulfilling our economic, environmental, and social responsibilities, ensuring that the benefits of financial development reach more people and contributing our efforts to the new development stage.



# Appendix

## Reporting Index

### GRI Content Index

GRI standard	Disclosure item	Page	Remarks
<b>GRI 1: Foundation 2021</b>			
<b>GRI 2: General disclosures 2021</b>			
2-1	Organizational details	P6	
2-2	Entities included in the organization's sustainability reporting	P1	
2-3	Reporting period, frequency and contact point	P1	
2-4	Restatements of information	P114-115	No information is restated
2-5	External assurance	P119-120	
2-6	Activities, value chain and other business relationships	P6	
2-7	Employees	P6、P104	
2-9	Governance structure and composition	P7-9	
2-11	Chair of the highest governance body	P4-5	
2-12	Role of the highest governance body in overseeing the management of impacts	P11	
2-13	Delegation of responsibility for managing impacts	P11	
2-14	Role of the highest governance body in sustainability reporting	P12	
2-16	Communication of critical concerns	P13	
2-22	Statement on sustainable development strategy	P4-5	
2-23	Policy commitments	P11	
2-24	Embedding policy commitments	P4-5	
2-28	Membership associations	P11	
2-29	Approach to stakeholder engagement	P13	
2-30	Collective bargaining agreements	P104	
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	P12	
3-2	List of material topics	P12	
3-3	Management of material topics	P12	
<b>Economic</b>			
<b>GRI 201 Economic Performance 2016</b>			
201-1	Direct economic value generated and distributed	P15	
201-2	Financial implications and other risks and opportunities due to climate change	P82	
<b>GRI 203 Indirect Economic Impacts 2016</b>			
203-1	Infrastructure investments and services supported	P38-43	
203-2	Significant indirect economic impacts	P44-51	
<b>GRI 205 Anti-corruption 2016</b>			

GRI standard	Disclosure item	Page	Remarks
205-1	Operations assessed for risks related to corruption	P94-95	
205-2	Communication and training about anti-corruption policies and procedures	P94-95	
<b>GRI 207: Tax 2019</b>			
207-1	Approach to tax	P13	
207-3	Stakeholder engagement and management of concerns related	P13	
<b>Environmental</b>			
<b>GRI 302 Energy 2016</b>			
302-1	Energy consumption within the organization	P88	
302-4	Reduction of energy consumption	P80、87	
302-5	Reductions in energy requirements of products and services	P80、87	
<b>GRI 304 Biodiversity 2016</b>			
304-3	Habitats protected or restored	P86	
<b>GRI 305: Emissions 2016</b>			
305-5	Reduction of GHG emissions	P80、87	
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
308-1	New suppliers that were screened using environmental criteria	P89	
<b>Social</b>			
<b>GRI 401: Employment 2016</b>			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P107-109	
<b>GRI 404: Training and Education 2016</b>			
404-1	Average hours of training per year per employee	P106	
404-2	Programs for upgrading employee skills and transition assistance programs	P106	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	P104	
405-2	Ratio of basic salary and remuneration of women to men	P104	
<b>GRI 413: Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	P66-67、P101	
<b>GRI 414: Supplier Social Assessment 2016</b>			
414-1	New suppliers that were screened using social criteria	P89	
414-2	Negative social impacts in the supply chain and actions taken	P89	
<b>GRI 416: Customer Health and Safety 2016</b>			
416-1	Assessment of the health and safety impacts of product and service categories	P98-99	
<b>GRI 417: Marketing and Labeling 2016</b>			
417-1	Requirements for product and service information and labeling	P98-99	

## PRB Content Index

Principles for Responsible Banking	Reporting and Self-Assessment Requirements	Page	Note
<b>Principle 1: Alignment</b>	<b>Business model</b> Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.	P5 P6 P11-14 P15-18 P37	Message from the Chairman About Us CSR Management CSR Performance Serving the Real Economy under the Guidance of Our Original Aspiration
	<b>Strategy alignment</b> Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank? Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	P57  P69 P79 P91 P103	Offering High-Quality Services in Inclusive Finance Focusing on Innovation to Accelerate Empowering through Technology Guarding and Practicing the Green Philosophy Operating Honestly to Achieve Sound Development Building a Harmonious Society Through Joint Efforts with Loving Care
<b>Principle 2: Impact and Target Setting</b>	<b>2.2 Impact Analysis</b> Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting.	P5 P11-14 P15-21 P58-61	Message from the Chairman CSR Management CSR Performance Supporting the Development of MSEs
	<b>2.2 Target Setting</b> Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.	P80-83 P84-85 P86 P87 P88-89	Developing Green Finance Addressing Climate Change Protecting Biodiversity Building Greener Life Practicing Green Operations
	<b>2.3 Plans for Target Implementation and Monitoring</b> For each target separately: show that your bank has implemented the actions it had previously defined to meet the set target.		
<b>Principle 3: Clients and Customers</b>	<b>3.1 Client engagement</b> Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities.	P38-51 P52-53	Facilitating the Development of National Strategic Development Accelerating Industrial Transformation and Upgrading
	<b>3.2 Business opportunities</b> Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period.	P54-55 P58-61 P62-65 P66-67 P73-74 P75-77 P80-83 P84-85 P86 P87	Serving China's Opening-up Supporting the Development of MSEs Supporting Rural Vitalization Offering Financial Services to Benefit the People Upgrading Corporate Banking Services Improving Service Quality and Efficiency Developing Green Finance Addressing Climate Change Protecting Biodiversity Building Greener Life

Principles for Responsible Banking	Reporting and Self-Assessment Requirements	Page	Note
<b>Principle 4: Stakeholders</b>	<b>4.1 Stakeholder identification and consultation</b> Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/ results achieved and how they fed into the action planning process.	P13	CSR Management
	<b>5.1 Governance Structure for Implementation of the Principles</b> Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles..	P7-10 P11-14 P80-83 P84-85 P86 P87 P88-89 P92-95 P96-97 P98-101 P106	About Us CSR Management Developing Green Finance Addressing Climate Change Protecting Biodiversity Building Greener Life Practicing Green Operations Ensuring Compliance Building a Firm Defense Line Protecting customer rights and interests Caring About Employee Development
<b>Principle 5: Governance &amp; Culture</b>	<b>5.2 Promoting a culture of responsible banking:</b> Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees.		
	<b>5.3 Policies and due diligence processes</b> Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.		
<b>Principle 6: Transparency &amp; Accountability</b>	<b>6.1 Assurance</b> Has this publicly disclosed information on your PRB commitments been assured by an independent assurer.		
	<b>6.2 Reporting on other frameworks</b> Does your bank disclose sustainability information in any standards and frameworks such as GRI, SASB and CDP.	P1 P70-72 P80-83 P84-85 P113 P118-120	About This Report Accelerating Digital Transformation Developing Green Finance Addressing Climate Change Outlook Independent Assurance Report
	<b>6.3 Outlook</b> What are the next steps your bank will undertake in next 12 month-reporting period.		
	<b>6.4 Challenges</b> What challenges have you prioritized to address when implementing the Principles for Responsible Banking.		

## Independent Assurance Report



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### 社会责任报告独立鉴证报告

安永华明（2023）专字第 60466757\_A02 号  
华夏银行股份有限公司

#### 华夏银行股份有限公司董事会：

我们接受委托，对华夏银行股份有限公司（以下简称“华夏银行”）编制的《华夏银行股份有限公司 2022 年社会责任报告》（简称“《社会责任报告》”）中选定的 2022 年度关键绩效信息发表有限保证鉴证意见。

#### 一、关键绩效信息

本报告就选定的 2022 年关键绩效信息（包括《社会责任报告》15-21 页中的环境绩效、社会绩效以及经济绩效中的小微企业贷款余额、小微企业贷款增量、支持战略性新兴产业贷款余额、支持制造业贷款余额、涉农贷款余额、国际结算量和办理跨境人民币业务）实施了有限保证的鉴证程序。

我们的鉴证工作仅限于《社会责任报告》中选定的 2022 年度关键绩效信息，《社会责任报告》所披露的其他信息、2021 年及以前年度信息均不在我们的工作范围内。

#### 二、华夏银行选用的标准

华夏银行编制《社会责任报告》中选定的 2022 年度关键绩效信息所采用的标准列于《社会责任报告》“编制说明”的“编制依据”（以下简称“编制依据”）中。

#### 三、董事会的责任

选用适当的编制依据，并按照编制依据的要求编制《社会责任报告》中选定的 2022 年度关键绩效信息是华夏银行董事会的责任。这种责任包括设计、执行和维护与编制选定的 2022 年度关键绩效信息相关的内部控制，在编制关键绩效信息的过程中做出准确的记录和合理的估计，以使该内容不存在由于舞弊或错误而导致的重大错报。

#### 四、我们的责任

我们的责任是根据我们所执行的程序对《社会责任报告》中选定的 2022 年度关键绩效信息发表有限保证鉴证结论。我们按照国际审计与鉴证准则理事会发布的《国际鉴证业务准则第 3000 号（修订）—历史财务信息审计或审阅以外的鉴证业务》（“ISAE3000”）的规定执行了鉴证工作。ISAE3000 要求我们计划和实施鉴证工作，以对《社会责任报告》中选定的 2022 年度关键绩效信息在所有重大方面依据编制依据进行编制取得有限保证。鉴证程序的性质、时间和范围的选择基于我们的判断，包括对由于舞弊或错误而导致重大错报风险的评估。我们相信获取的证据充分、适当，为形成有限保证鉴证结论提供了基础。



### 社会责任报告独立鉴证报告（续）

安永华明（2023）专字第 60466757\_A02 号  
华夏银行股份有限公司

#### 五、我们的独立性和质量控制

我们遵守国际会计师职业道德准则理事会颁布的国际会计师职业道德守则中对独立性和其他道德的要求。我们的团队具备此次评估认证任务所需的资质和经验。本事务所遵循《国际质量控制准则第 1 号》，并据此维护全面系统的质量控制体系，包括与遵守职业道德要求、专业标准和适用的法律和法规要求相关的书面政策与程序。

#### 六、鉴证工作程序

有限保证鉴证所实施的程序的性质和时间与合理保证鉴证不同，且范围较小。因此，有限保证鉴证业务的保证程度远低于合理保证鉴证。我们没有执行合理保证的其他鉴证中通常实施的程序，因而不发表合理保证鉴证意见。虽然在设计鉴证程序的性质和范围时，我们考虑了管理层相关内部控制的有效性，但我们并非对内部控制进行鉴证。我们的鉴证工作不包括与信息系统中数据汇总或计算相关的控制测试或其他程序。有限保证鉴证程序包括询问负责编制《社会责任报告》的核心人员，实施分析性复核以及其他适当的程序。

我们的工作程序包括：

- 1) 对华夏银行相关人员进行访谈，了解报告期内关键绩效信息的业务及报表流程；
- 2) 实施分析性复核程序；
- 3) 实施抽样检查；
- 4) 重新计算。

我们还根据情况执行了我们认为必要的其他程序。

#### 七、结论

根据我们所实施的鉴证工作，我们未发现《社会责任报告》中选定的 2022 年度关键绩效信息在所有重大方面存在与编制依据的要求不符合的情况。





社会责任报告独立鉴证报告（续）

安永华明（2023）专字第 60466757\_A02 号  
华夏银行股份有限公司

八、报告的使用

本鉴证报告对《社会责任报告》中选定的 2022 年度绩效信息发表有限保证鉴证意见，仅向华夏银行董事会出具，而无其他目的。我们不会就本报告的内容向任何其他人士承担任何责任。

安永华明会计师事务所（特殊普通合伙）  
安永华明会计师事务所（特殊普通合伙）  
中国 北京  
2023 年 4 月 26 日



Feedback Form

Thank you for reading the Hua Xia Bank Co., Limited Social Responsibility Report 2022. In order to provide you and other stakeholders with more valuable information and improve our CSR fulfillment, we sincerely invite you to share your comments on this report and send your feedback as follows:

Tel: 010-85237056  
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What kind of stakeholders do you belong to?

- The Government  Regulatory authority  Shareholder and investo  Customer  Employee
- Partner  The Environment  Community  Media  Other( )

Do you think the Report completely covers your expectation of Hua Xia Bank?

- Yes  No, what else would you like to know( )

What do you think of the readability in terms of the content arrangement and layout design of the Report?

- Good  Average  Bad

What other comments and suggestions do you have on our social responsibility work and our report?

Text area for feedback with a pen icon at the top right.