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(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 1578)

Bank of Tianjin Co., Ltd.

2023 SOCIAL RESPONSIBILITY REPORT

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Bank of Tianjin Co., Ltd.

About This Report

Reporting Period

1 January 2023 – 31 December 2023. In order to make this Report more comparable and forward looking, some information contained in this Report falls outside the Reporting Period specified above.

Reporting Cycle

This is an annual report.

Entities Covered by This Report

Data and facts involved herein cover the head office, branches, subsidiaries and affiliates of Bank of Tianjin Co., Ltd. For the sake of presentation, they are collectively referred to as “Bank of Tianjin”, the “Bank”, “We” or “Us” in this Report.

Guidelines for Report Preparation

This Report is prepared in accordance with the *Environmental, Social and Governance (ESG) Reporting Guide* under Appendix C2 of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the “Listing Rules”), and with reference to the *GRI Sustainability Reporting Standards* issued by the Global Sustainability Standards Board (GSSB) and relevant requirements set out in the *Opinions of the General Office of the China Banking Regulatory Commission on Strengthening the Social Responsibilities of Banking Financial Institutions*, the *Guidelines on Corporate Social Responsibilities of Chinese Banking Financial Institutions* and the *Guidelines on Environmental Information Disclosure for Financial Institutions*.

Principles of Report Preparation

This Report is compiled following the principles of materiality, quantification, balance and consistency.

Materiality: The materiality of the Bank’s ESG issues is determined by the Board of Directors. The process of communication with stakeholders and identification of substantive issues as well as the matrix of substantive topics are disclosed in this Report.

Quantification: The statistical standards, methods, assumptions and/or calculation tools for quantifying the key performance indicators herein as well as the sources of conversion factors are all explained in the interpretation of this Report.

Balance: This Report impartially presents the performance of the Bank during the Reporting Period, and has avoided choices, omissions or reporting formats that may inappropriately affect the decision or judgment of its readers.

Consistency: Unless otherwise stated, the statistical methods and criteria adopted for data disclosure in this Report are consistent with those of previous years.

Data Explanation

Financial data disclosed in this Report are derived from the audited 2023 financial report. In case of discrepancy between data contained herein and the audited 2023 financial report, the latter shall prevail. Unless otherwise stated, the scope of other statistics covers the head office, branches, subsidiaries and affiliates of the Bank.

All monetary amounts stated in this Report are in Renminbi unless otherwise stated.

Form of Publication

This Report is published in electronic form. The electronic version can be downloaded on the HKEX news website (website: <http://www.hkexnews.hk/>) and our website (website: www.bankoftianjin.com).

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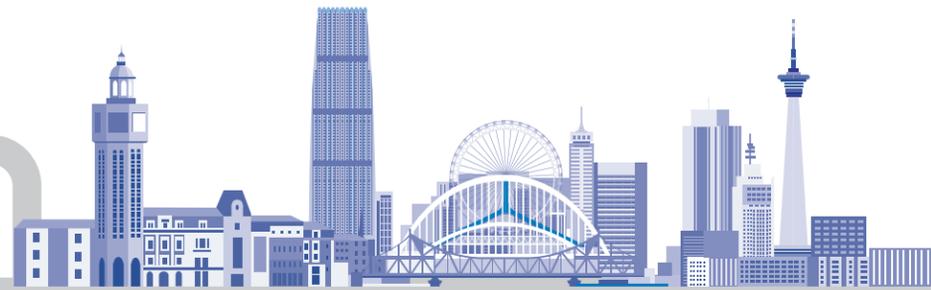
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Chairman's Message

The year 2023 was the first year for implementing the spirit of the 20th National Congress and also marked a year of economic recovery and development following a transitional phase after three-year of COVID-19 prevention and control efforts. This year, the Central Financial Work Conference introduced the goal of constructing a "financial powerhouse" for the first time. The objective is to accelerate the establishment of a modern financial system with distinct Chinese characteristics, consistently meeting the growing financial demands of economic and social development, as well as the populace. This year, Bank of Tianjin remained steadfast in its original commitment to serving the people and the real economy through financial services. Despite encountering challenges, we forged ahead with determination, uniting the entire bank and demonstrating resilience to ultimately deliver a gratifying outcome.

We fortified our "political foundation" to bolster the core and rally our forces. Deepening learning and applying practical knowledge, we successfully completed the theme education. We intensified theoretical learning and focused on rectifying problems. We delved deeper into Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, integrating and transforming it into our business development processes. Furthermore, we rigorously emphasised responsibility to promote real results in inspection and rectification, targeting both the symptoms and root causes of issues. Our efforts have led to the establishment and refinement of 74 systems and mechanisms, alongside the execution of 78 rectification measures. Additionally, our proactive approach to identifying and rectifying issues in financial regulation, coupled with enhanced communication with regulatory bodies and our well-established long-term mechanism for communication and cooperation, has elevated our governance standards to new heights.

We launched the "Double Five" Battles, steadfastly steering our course and rowing the hardest. Under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, our leadership team has clarified ideas to propose the concept of "Five Major Battles (五大攻坚战)" and "Five Speed-up Battles (五大提速战)". With the

entire bank united, we targeted the "illnesses", solidified the "foundation", aligned efforts in the Five Major Battles oriented towards problems of "risk mitigation, revenue, costs, deposits, and litigation", and adopted the approach of "one province, one policy" and measures tailored to specific conditions. This has achieved phased results and stabilized our basic operating conditions. Additionally, we coordinated the Five Speed-up Battles aimed at strengthening the foundation in "capabilities and qualities, structural transformation, intermediary business, digital banking, and supervision coordination". Through concerted efforts in these areas, we have boosted new development momentum and fortified the groundwork for high-quality growth.

We remained steadfast in our commitment to regional development, reverted to our initial intentions and preserved our founding principles. Leveraging our position as an urban commercial bank, we increased financial support for key, promoted the revitalization of existing resources, fostered incremental growth, and improved quality. With a focus on strengthening our foothold in this region, we provided high-quality financial services to support Tianjin's "Ten Projects (十项行动)", earning the top position in the Tianjin market for the primary underwriting of corporate credit bonds. Furthermore, we actively contributed to initiatives of "High-Quality Life

Creation Project", served as a title sponsor for events such as the 2023-2025 Tianjin Marathon and the "Bank of Tianjin · 2023 Haihe Drama Festival". We took practical actions to create a "sports finance" and "cultural finance" system to serve the high-quality development of the city.

We closely followed the trend of the times to compose "Five Major Articles (五篇大文章)". With a focus on technological advancement, we set our sights on the future. We have established the organisational structure, optimised service models, and developed innovative products in the financial technology field. The balance of loans to technology-based enterprises increased by 14.97% compared to the end of the previous year. **Practicing the green concept, we supported "Carbon Peaking and Carbon Neutrality Goals".** We continuously improved the green financial promotion mechanism, and actively explored cutting-edge issues related to climate change. The balance of green loans in the entire bank reached RMB24.35 billion, an increase of 51.25% compared to the end of the previous year. **We deeply cultivated inclusive finance and not ignored the smallest.** We introduced financial "living water" to micro and small enterprises and fields, accurately provided services to micro and small, and agriculture-related customers. The balance of loans to inclusive micro and small enterprises reached RMB37.253 billion, an increase of 26.01% compared to the end of the previous year, and the balance of agriculture-related loans reached RMB23.389 billion, an increase of 19.04% compared to the end of the previous year. **Caring for the grey-haired group, we provided financial services suitable for the elderly.** We continuously improved the standards of financial services for the elderly, upgraded online channels for elderly services, enriched financial products for the elderly, and expanded the Bank of Tianjin's characteristic brand of "the Harbour". **We focused on digital finance and driven innovation.** Adhering to the concept of "horizontal expansion and vertical innovation", we have expanded the coverage of "Smart Connect (智慧通)" product scenarios, facilitated intelligent

healthcare, education, and commerce, and contributed financial strength to urban development and industrial upgrading.

We adhered to people-oriented principles and developed together with all sectors of society. We built a comprehensive service model centred on customers, created the service brand of "New Citizen Harbour (新市民港湾)", and optimised the construction of online and offline channels. We continuously improved the consumer rights protection system, increased consumer protection publicity, and effectively safeguarded the legitimate rights and interests of consumers. We conveyed financial warmth, solidified our achievements in poverty alleviation, and actively engaged in charitable donations, with a cumulative contribution of RMB12.61 million, marking a year-on-year increase of 60.03%. We also prioritised employee growth by protecting their rights, ensuring their well-being, fostering skill development, and facilitating career advancement. This strengthened Bank of Tianjin's capabilities as a whole.

The path to greatness is simplicity, and lasting success comes from steady progress. As we embark on this new journey, we commit to pursuing progress with stability and fostering stability through progress. We will thoroughly study and implement the spirit of General Secretary Xi Jinping's important speech during his visit to Tianjin and the spirit of the Fifth Plenary Session of the Twelfth Tianjin Municipal Committee of the Communist Party of China (CPC). Also, we will put into practice the important requirements of "pursuing four intended goals as planned". We will deepen our presence in Tianjin and optimise operations in the five other provinces, anchored by our commitment to providing high-quality financial services through the "Five Major Articles". Demonstrating our role in economic and social development, we contribute to building a "financial powerhouse" and advancing the vision of a "beautiful China". With practical actions, we strive to pursue our glorious dream and write an inspiring chapter, marching forward with sincerity and determination.

Bank of Tianjin, Chairman
YU Jianzhong

2023 Key Performance

Supporting the real economy

- The Bank optimised the mode of technology financial services, innovated technology financial products, and enhanced the capability of technology financial services. The balance of loans to technology-based enterprises increased by RMB1.522 billion compared to the end of the previous year, representing a year-on-year increase of 14.97%.
- The Bank provided more precise and efficient financial services for micro and small enterprises, as well as agricultural-related enterprises. The number of inclusive micro and small enterprise loans reached 575,900, an increase of 20,900 compared to the end of the previous year, representing an increase of 3.77%. The balance of inclusive micro and small enterprise loans reached RMB37.253 billion, an increase of RMB7.689 billion compared to the end of the previous year, representing an increase of 26.01%.
- The Bank established a comprehensive product and service system for agricultural-related business, significantly enhancing support for rural revitalization. The balance of agricultural-related loans reached RMB23.389 billion, an increase of RMB3.741 billion compared to the end of the previous year, representing a year-on-year increase of 19.04%.
- The level of digital services has significantly improved, with the number of cooperating merchants under the "Smart Merchant Connect (智慧商户通)" reaching 990,800, of which 446,100 were in the Tianjin region and new citizen merchants accounted for over 53%.



Supporting the ecological environment

- The Bank continuously increased efforts in innovation and promotion of green loan products. The balance of green loans reached RMB24.35 billion, with an increase of RMB8.251 billion compared to the beginning of the year, representing an increase of 51.25%.
- The Bank gave high priority to climate risks. There were a total of 67 clients in key industries related to climate change, involving a credit balance of RMB6.064 billion, which decreased by 0.34% compared to the previous year.
- The Bank continued to promote paperless transactions at service counters, with a total of 1,070,200 transactions conducted using form-free process. We achieved a paperless transaction coverage rate of over 95% at service counters.



Supporting a harmonious society

- The Bank established the distinctive brand "the Harbour" for pension finance at Bank of Tianjin. As of the end of the Reporting Period, a total of 65 operating branches had been certified for elderly-friendly services.
- The Bank expanded the scope of public legal education on the Civil Code through various forms and angles, including broadcasting promotional materials over 1,000 times, hosting nearly 100 promotional events, and organising nearly 100 learning activities. The publicity reached an audience of over 10,000 people.
- The Bank encouraged employee participation in volunteer activities, with the establishment of 19 volunteer service teams and 4,243 registered volunteers, accumulating a total volunteer service duration exceeding 1,818 hours.
- The Bank actively contributed to society, with a total external donation of RMB12.61 million during the Reporting Period.
- The Bank supported employee development. During the Reporting Period, a total of 1,450 employee training sessions were conducted, with participation from a total of 112,500 employees.



Economic Performance

Indicator	Unit	2021	2022	2023
Total assets	RMB100 million	7,199.04	7,610.83	8,407.71
Balance of loans and advance to customer	RMB100 million	3,246.07	3,373.97	3,960.09
Total liabilities	RMB100 million	6,623.63	7,004.64	7,757.42
Deposit balance	RMB100 million	3,824.79	3,977.65	4,506.86
Operating income	RMB100 million	176.94	157.59	164.56
Profit before allowance	RMB100 million	132.94	113.34	116.90
Net profit	RMB100 million	32.14	35.63	37.67
Taxes paid ¹	RMB100 million	4.38	4.53	3.87
Average return on total assets	%	0.46	0.48	0.47
Capital adequacy ratio	%	13.49	12.80	12.64
Provision coverage ratio	%	154.26	159.27	167.86

Social Performance

Indicator	Unit	2021	2022	2023
Total number of employees	Person	6,587	6,708	6,699
Number of male employees	Person	2,683	2,726	2,721
Number of female employees	Person	3,904	3,982	3,978
Social insurance participation rate	%	100%	100%	100%
Housing provident fund participation rate	%	100%	100%	100%
Total external donations	RMB10 thousand	33.00	788.00	1,261.00

Environmental Performance

Indicator	Unit	2021	2022	2023
Consumption of water distributed via municipal water supply	Tonne	137,242.17	130,858.74	132,760.82
Outsourced electricity consumption	MWh	33,930.59	33,451.60	37,984.02
Gasoline consumption	Litre	181,659.46	143,151.23	167,909.53
Diesel consumption	Litre	994.90	1,372.69	265.32
Natural gas consumption	Cubic meters	344,015.30	569,919.61	643,064.00
Outsourced heat	GJ	53,808.99	49,758.88	50,467.08
Direct GHG emissions	tCO ₂ e	1,152.67	1,563.83	1,775.08
Indirect GHG emissions	tCO ₂ e	29,728.34	28,867.97	32,160.83
Total GHG emissions	tCO ₂ e	30,881.01	30,431.80	33,935.91
GHG emissions per RMB1 million of revenue	tCO ₂ e/RMB1 million	1.75	1.93	2.06
GHG emissions per person	tCO ₂ e/person	4.69	4.54	5.07
Nitrogen oxide emissions ²	G	-	-	686,676.77
Sulfur oxide emissions ²	G	-	-	2,707.24
Particulate matter emissions ²	G	-	-	63,407.73
Overall energy consumption	MWh	54,189.95	54,698.53	60,424.21
Overall energy consumption per RMB1 million of revenue	MWh/RMB1 million	3.06	3.47	3.67
Energy consumption per employee	MWh/person	8.23	8.15	9.02

¹ Taxes paid include "income tax" and "taxes and surcharges" from the Bank's financial indicators.

² The data is sourced for the official vehicles of our department, calculated according to the *Reporting Guidance on Environmental KPIs* issued by the Hong Kong Stock Exchange.



About Us

Bank of Tianjin Co., Ltd., referred to as Bank of Tianjin, is a company listed on the main board of the Hong Kong Stock Exchange (stock code: 1578) and headquartered in Tianjin.

As of the end of the Reporting Period



the Company's registered capital is

RMB **6.071** billion

In terms of equity structure



domestic shares account for

70.93%

while H-shares account for

29.07%



Bank of Tianjin was formerly known as Urban Credit Cooperatives. In 1996, it was established as "Tianjin City Cooperative Bank" on the basis of 65 urban credit cooperatives and 2 business departments of associated cooperatives. The Bank changed its name to "Tianjin City Commercial Bank" in 1998 and then to "Bank of Tianjin" in 2007, and began to implement cross-regional operations, with branches in three municipalities, Beijing, Tianjin and Shanghai, and three provinces, Hebei, Shandong and Sichuan. As of the end of the Reporting Period, there were a total of 218 business institutions nationwide, including 1 business department, 7 first-tier branches, 6 second-tier branches, 6 central branches, 1 specialised agency and 197 sub-branches. The Bank initiated the establishment of Bank of Tianjin Financial Leasing Co., Ltd. (天银金融租赁股份有限公司) and Tianjin Jizhou Rural Bank, as well as 7 Jinhui rural banks in Ningxia and Xinjiang Autonomous Regions. In addition, the Bank has established correspondent relationships with nearly 850 domestic and foreign banks and their branches in over 80 countries and regions worldwide.

In recent years, the Bank promoted reform and innovation, strengthened digital transformation, refined management and integrity and compliance construction, and focused on cultivating and shaping its operating characteristics in inclusive finance, wealth management, financial market, Internet finance, technology finance, pension finance and other fields, continuously enhancing its sustainable development capabilities. In 2023, the Bank actively supported activities in sports, culture, innovation, and entrepreneurship. We served as title sponsors for events such as the "Tianjin Marathon", the "Haihe Drama Festival", the "Creation in Hebei • Enjoy the Future (创河北•享未来)" series of entrepreneurial activities aimed at job creation, and the "Science and Technology Innovation in Tianjin economy development zone, Where Dreams Take Flight (科创南开 梦想起航)" symphony concert. These initiatives aimed to contribute to the creation of a high-quality lifestyle and positioned us as pioneers in the "finance + sports" and "finance + culture" sectors. The Bank ranked 191st among "Top 1,000 World Banks" of 2023 by the British "The Banker" Magazine, ranked 22nd among "2023 Tianjin Entrepreneur Top 100", and ranked 9th among "Tianjin 2023 Service Enterprises Top 100".



Professional Affiliation

The Bank has joined a number of industry organisations and is a vice president unit of Tianjin Enterprise Confederation and Tianjin Entrepreneur Association; a standing director unit of China Enterprise Confederation, China Enterprise Directors Association, Tianjin Institute of Finance, and Tianjin Commercial Federation; a director unit of China Banking Association, Tianjin Banking Association, Tianjin Numismatic Society; and a member unit of Hong Kong Chinese Listed Companies Association.



Advantages of Our Qualifications

- › Licensed for comprehensive bonds market maker in interbank bond market
- › General lead underwriter of non-finance corporate debt financing instruments
- › Core dealer of credit risk mitigation tools, credit risk mitigation warrant issuer, credit-linked note issuer
- › Licensed for securitization of credit assets
- › A member of the book-entry and saving treasury bond underwriting syndicate of the Ministry of Finance
- › Lead underwriter of Tianjin local government bonds; a member of local government debt underwriting syndicates in Beijing, Shanghai, Shandong, Shenzhen and other regions
- › Licensed for a member of the underwriting and market-making consortium for financial bonds issued by three major policy banks including the China Development Bank, the Agricultural Development Bank of China, and the Export-Import Bank of China
- › Licensed for a bond settlement agent in the interbank market
- › Licensed for hedging derivatives trading
- › Licensed for interest rate swap transactions and real-time undertaking of interest rate swap services, licensed for standard bond forward transactions, one of the first interest rate swap options entry institutions and collar options entry institutions
- › Licensed for gold inquiry business trading with the Shanghai Gold Exchange
- › Class A membership with the International Board of the Shanghai Gold Exchange
- › The Shanghai Branch of the Bank secured the membership of the China Foreign Exchange Trading Centre to conduct foreign currency interbank borrowing in the Shanghai Free Trade Zone
- › Participating institution in online interbank deposit in China Foreign Exchange Trading Centre
- › Licensed for a special member of the Shanghai Gold Exchange



Organiser

Award/honorary title

"The Banker" Magazine

Ranking 191st among "Top 1,000 World Banks" of 2023

China Enterprise Confederation, China Enterprise Directors Association

Ranking 194th among "2023 Top 500 Service Enterprises in China"

Tianjin Enterprise Confederation, Tianjin Entrepreneur Association

Ranking 22nd among "2023 Tianjin Entrepreneur Top 100"

Tianjin Enterprise Confederation, Tianjin Entrepreneur Association

Ranking 9th among "Tianjin 2023 Service Enterprises Top 100"

China Banking Association

Ranking 33rd among "2023 China Banking Top 100"

The Task Force for the State-owned Assets Supervision and Administration Commission of the State Council on the *Blue Book of Social Responsibilities of State-owned Enterprises (2023)*

Ranking 32nd on the "State-owned Enterprises Social Responsibility Vanguard 100 Index" (2023)

The Task Force for the Tianjin State-owned Assets Supervision and Administration Commission on the *Blue Book of Social Responsibilities of Tianjin State-owned Enterprises (2023)*

Outstanding Cases in the "Aiding Rural Revitalization", "Serving the Real Economy", and "Strengthening Technological Innovation"

The 10th Forum on Corporate Social Responsibility in the Financial Sector

Outstanding Cases of Service to the Real Economy in the *Responsible Finance Blue Book (2023)*

The Tsinghua University PBC School of Finance and the Editorial Department of the *Tsinghua Financial Review*

Ranking Top 200 of Chinese Banks for 2023

The 9th Annual Conference of China Securitization Forum

Innovative Institution of the Year and Emerging Excellence of the Year for 2023

National Association of Financial Market Institutional Investors

Ranking 3rd nationwide among "city commercial banks as investors in green bond financing instruments" in 2023

China Foreign Exchange Trade System

"2023 Market Influence Institution" and "Market Innovation Business Institution";
"2023 Interbank RMB Market Popularity List - Most Popular Credit Bond Market Makers";
Repeatedly ranked on monthly active lists such as "X-Lending, X-Bond, X-Repo, and X-Bargain"

China Development Bank

"Outstanding Underwriter" award in the 2023 Financial Bond Interbank Market, and the "25th Anniversary Support" award for financial bonds in 2023

China Financial Certification Authority (CFCA)

2023 Digital Finance Gold Award - Most Distinctive Feature Award for Mobile Banking

PY Standard

City Commercial Bank Golden Reputation Award for Outstanding Asset Management, Golden Reputation Award for Excellent Cash Management Bank Financial Products, Golden Reputation Award for Excellent Fixed-Income Bank Financial Products

STCN

2023 Gold-Quality Wealth Management Product Tianji Award

China Securities Journal

The Golden Bull Award for Wealth Management Banks, the Golden Bull Award for Wealth Management Products of Banks

Wind

Best Interbank Debt Financing Instrument Underwriter • Outstanding City Commercial Bank

Important
Honours of
the Year

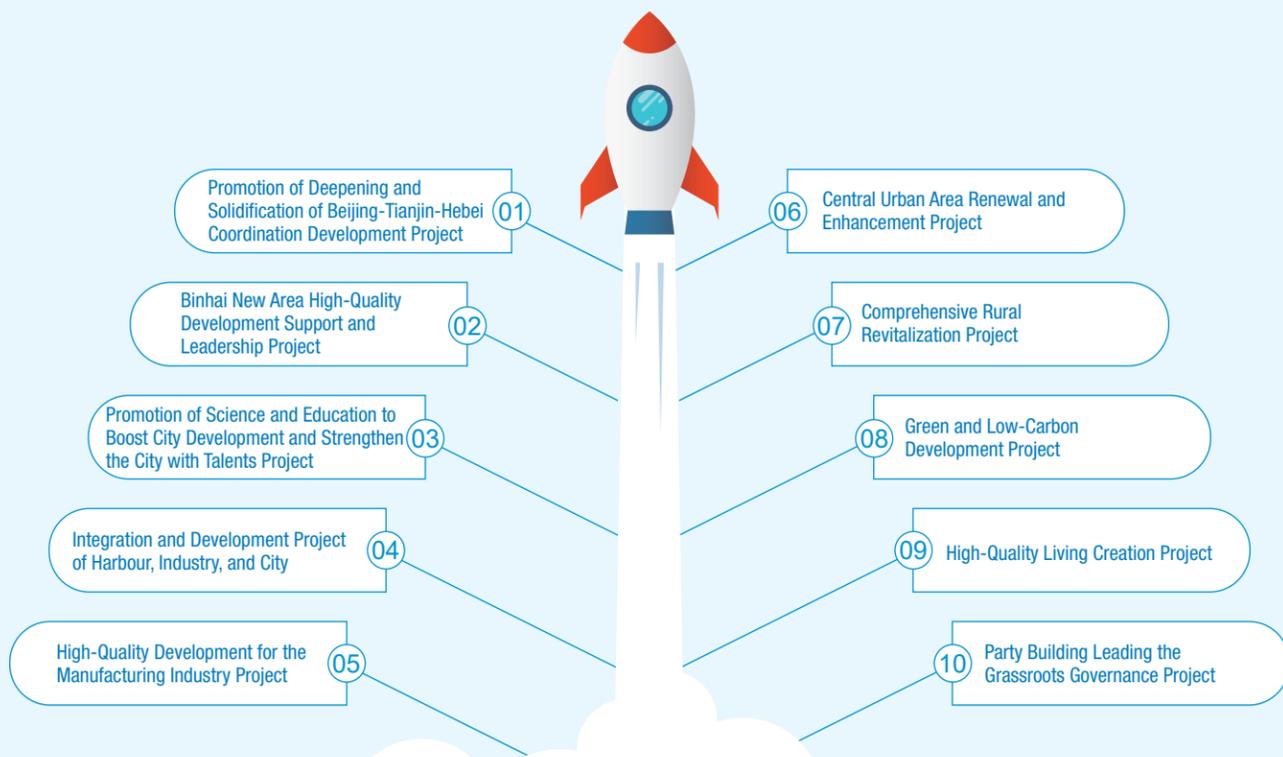
Special Focus

Fulfilling Financial Responsibilities to Support Tianjin's "Ten Projects"

As a regional bank registered in Tianjin, we remain mindful of the political and people-oriented nature of financial work and adhere to the strategy of focusing on local development, promoting the revitalization of existing resources, fostering incremental growth, and enhancing quality. We integrate high-quality reform and development into Tianjin's overall development plan. In line with Tianjin's "Ten Projects" initiative, we developed the *Bank of Tianjin's Service Plan of Supporting the City's "Ten Projects"* and ten sub-plans, focusing on serving the real economy, regional economic development, rural revitalization strategy, and promoting green, low-carbon, and sustainable development. These plans include action goals and implementation measures.



"Ten Projects"



01

Service Plan of Supporting the "Promotion of Deepening and Solidification of Beijing-Tianjin-Hebei Coordination Development Project"

In 2023, the Bank positioned ourselves as a "mainstream bank in the Beijing-Tianjin-Hebei region" and increased our financial support for key areas. We formulated the *Bank of Tianjin's Service Plan of Supporting "the Promotion of Deepening and Solidification of Beijing-Tianjin-Hebei Coordination Development Project"* to actively support projects in key areas such as the relocation of non-capital functions, transportation, environmental protection, and industrial upgrading. At the head office level, we established a special working group to coordinate and resolve difficulties and issues encountered by the Bank in supporting the coordinated development of Beijing-Tianjin-Hebei.

As of the end of the Reporting Period



loans in the Beijing-Tianjin-Hebei region had increased by

RMB **67.91** billion compared to the beginning of the year

representing an increase of

30.2%



Strategic cooperation agreement between Bank of Tianjin and Haidian Investment Group (海国投集团)

Case Study

In October 2023, the Bank signed a strategic cooperation agreement with Beijing Haidian State-owned Asset Investment Group Co., Ltd. (北京市海淀区国有资产投资集团有限公司), to fully leverage our respective resource advantages and strengthen practical cooperation in areas such as promoting low-carbon environmental protection, deepening technology financial services, and ensuring and improving people's livelihoods. This cooperation aims to support the high-quality development of Haidian District, contribute to the coordinated development of Beijing-Tianjin-

Hebei, and promote the provision of financial services to local economic development and social livelihoods. This agreement is a strong measure to accelerate the deepening coordination of Beijing-Tianjin-Hebei. The Bank will take this opportunity to strengthen "specialised" financial technology projects, embed financial products and services in the innovative and entrepreneurial soil of Haidian District, continuously stimulate technological innovation vitality, and contribute financial strength to the high-quality development of Haidian's economy and society.



02

Service Plan of Supporting the “Binhai New Area High-Quality Development Support and Leadership Project”

To meet the needs of high-quality development in the Binhai New Area and provide comprehensive financial services, the Bank has formulated the *Bank of Tianjin's Service Plan of Supporting "the Binhai New Area High-Quality Development Support and Leadership Project"*. This plan aims to provide comprehensive financial support to accelerate the construction of a modern industrial system led by intelligent technology industries, vigorously foster emerging industries, consolidate and enhance advantageous industries, and strategically map out future industries in the Binhai New Area. We leveraged the leading role of the Binhai Branch in supporting the Binhai New Area High-Quality Development Support and Leadership Project, comprehensively enhancing the Bank's ability and level of service in the Binhai New Area.

As of the end of the Reporting Period



loans to corporate clients in the Binhai region increased by over

RMB **21** billion

compared to the beginning of the year

representing an increase of

93.50%



Facilitating the renovation of old buildings in the Binhai New Area

Driven by our original intention to serve the people, the Bank has taken practical measures to improve urban functions, enhance urban quality, and improve the living environment. As a key project for ensuring people's livelihoods in the city, the renovation of old communities in the Binhai New Area involves 345 communities and 6,296 buildings with a total construction area of over 16.4 million square meters. Upon completion, this project will ensure secure housing, well-refined functionality, clean environment, and resident satisfaction, ushering in a "new life" for hundreds of thousands of households. The Bank proactively engaged with project implementers and swiftly

established a task force that operates vertically across the main branches, facilitating "two-way communication", while also operating horizontally across various divisions including companies, products, risks, and approvals. This integrated task force has delved deep into grassroots levels to tackle challenges effectively. This approach ensured the "highest efficiency in the industry" for project investigation, evaluation, review, and approval work. We successfully extended credit of RMB1.7 billion for this project's renovation, providing strong financial support for the three-year initiative to tackle key challenges in the high-quality development of the Binhai New Area.



03

Service Plan of Supporting the “Promotion of Science and Education to Boost City Development and Strengthen the City with Talents Project”

The Bank actively supports the strategy of promoting science and education to boost city development and strengthening the city with talents, focusing on addressing the financing challenges faced by "specialised, refined, differentiated and innovative" and technology-oriented enterprises. We continuously strengthen our strategic cooperation with the Tiankai STI Park of Higher Education (天开高教科创园), establishing a dedicated team and regular bank-enterprise communication mechanism tailored for the park. We provided customised service plans, open green approval channels, developed exclusive products such as smart technology enterprise loans, specialty park loans, and intelligent specialised innovative loans, and continuously promoted comprehensive financial services models such as science and technology innovation bills, intellectual property securitization, and integrated financial services for "stocks, bonds, loans, funds, leasing and insurance & guarantee" to support the full lifecycle development of science and technology innovation enterprises.



One-stop comprehensive financial services to foster the development of Tiankai STI Park of Higher Education

The Bank has actively engaged with the dedicated project team of Tiankai STI Park, fully supporting its high-quality development. Firstly, we accelerated the construction and upgrade of branches. Currently, the Bank has established four dedicated branches in the core area of the Tiankai STI Park. In addition, we planned to establish one more in the pilot area, while continuously investing in technological hardware and software facilities for branches. Secondly, we continued to serve as financial stewards for park enterprises. Tailoring exclusive financial service plans for park enterprises based on their different stages of entrepreneurship, innovation, and growth, we published

the *"Bank of Tianjin's Science and Technology Enterprise Customer Ecosystem, Product Solutions, and Network Relationship Map"* manual. Thirdly, we introduced "source water" to bolster high-quality development. Adhering to the service concept of "financing + intelligence", we established the "Bank of Tianjin · Tiankai STI Park" series of science and technology growth funds. We synergized with social capital, industrial funds, and venture capital institutions, with a focus on the Tiankai STI Park. Our aim is to support the park and its resident enterprises in scaling up and achieving high-quality development.



04

Service Plan of Supporting the “Integration and Development Project of Harbour, Industry, and City”

Seizing the opportunity of the “Five Major Battles” and “Five Speed-up Battles”, the Bank fully leverages its role in promoting the integration and development of the harbour, industry, and city, formulating the *Service Plan of Supporting the “Integration and Development Project of Harbour, Industry, and City”*. Conducting in-depth investigations and studies on the future trends of the integration and development of harbour, industry, and city, we introduced preferential support measures and provided a “one-to-one” financial services model of “scenario + finance” focusing on scenarios such as shipping and the harbour. We have launched six characteristic financial service projects to support industries suitable for the harbour.

As of the end of the Reporting Period

the Bank has injected RMB **11.304** billion in financing into Tianjin’s externally oriented economy.

We have provided RMB **1.64** billion in on-and off-balance sheet financing to Tianjin’s shipping and logistics enterprises. Moreover, we facilitated Tianjin enterprises in conducting cross-border fund settlements with countries along the “Belt and

Road” Initiative, totalling RMB **1.86** billion.



Actively responding to the “Belt and Road” Initiative and supporting local enterprises to “go global”

A coking (Indonesia) joint-stock company, established as a subsidiary by a prominent domestic steel conglomerate in Indonesia, stands as a crucial initiative for the group’s response to the national “Belt and Road” Initiative and its ambition to firmly establish a presence in overseas markets. This company has invested in and constructed a coking project with an annual output of 4.7 million tonnes in the local area, with a total investment of USD830 million, which was mainly funded by self-raised

funds and bank loans. Of these, self-raised funds were USD250 million, or 30%, and syndicated loans from banks were USD580 million, or 70%. The Bank directly extended a credit of USD50 million to support the project construction. We actively responded to the significant national strategy of the “Belt and Road” Initiative and made new contributions to accelerating the construction of a modern, open, and inclusive Tianjin.

05

Service Plan of Supporting the “High-Quality Development for the Manufacturing Industry Project”

In order to continuously expand the Bank’s credit supply to the manufacturing sector and support the high-quality development of Tianjin’s manufacturing industry, the Bank has developed the *Bank of Tianjin’s Service Plan of “Supporting the High-Quality Development for the Manufacturing Industry Project”*. This plan focuses on aiding Tianjin in achieving its “1+3+4” modern industrial system and advancing the “Eight Major Projects” for industrial upgrade, with a special emphasis on Tianjin’s “Twelve Industrial Chains” and technological innovation enterprises to propel the city’s manufacturing industry towards high-quality development.

During the Reporting Period



the Bank extended a cumulative total of

RMB **4.04** billion in manufacturing industry loans to enterprises in Tianjin

Supporting specialised, refined, differentiated and innovative manufacturing enterprises

A biopharmaceutical company situated in the Sino-Singapore Tianjin Eco-city represents a high-tech enterprise specializing in biopharmaceutical research, production, and sales. This company’s biomedical research and production base project, a key investment in the Binhai New Area, including products like monoclonal antibodies, recombinant proteins, and vaccines. This comprehensive project, designed and constructed to meet European and American biomedical research, high production standards and high capacity, aims to establish a complete biomedical industry chain from research and development to mass production. During the Reporting Period, the Bank provided a fixed asset loan of RMB100 million to support the ongoing construction of this company’s ongoing construction projects.

Revitalizing traditional manufacturing enterprises to renew brand vitality

The Bank has long been committed to improving the system for inheriting traditional industrial brands, uncovering the value behind these brands and actively supporting Tianjin’s “time-honoured” enterprises. By leveraging financial resources, we revitalised these “time-honoured” resources, allowing historically significant brands to rejuvenate with “new vitality”. One of such examples is “DIYANG” brand. It was established by the renowned patriotic entrepreneur Song Feiqing in 1932. Since its inception, DIYANG has always been dedicated to revitalizing national industry, instilling national confidence, and promoting national spirit. Its woollen products were once popular nationwide and were hailed as “the pride of domestic products”. In 2006, “DIYANG” was awarded the title of “Chinese Time-Honoured Brand” by the Ministry of Commerce. In 2009, it was awarded the title of “Tianjin Time-Honoured Brand” by the Tianjin Municipal Commerce Commission. With comprehending the brand’s financial needs, the First Central Branch of the Bank proactively crafted a financing scheme for Tianjin Textile Group. Utilizing the “DIYANG” brand trademark as collateral, the loan approval process was expedited. Consequently, RMB80 million in working capital loans were successfully executed, furnishing crucial financial backing for the revitalization and growth of Tianjin’s distinctive brands.



06

Service Plan of Supporting the “Central Urban Area Renewal and Enhancement Project”

The Bank has integrated its high-quality reform and development into the broader strategy of advancing the city’s high-quality development. We spare no effort in facilitating the renewal and enhancement of the central urban area. To this end, we formulated the *Bank of Tianjin’s Service Plan of Supporting the “Central Urban Area Renewal and Enhancement Project”*. This involves deepening collaboration with governmental bodies at all levels within Tianjin’s central urban area, establishing government service platforms, fostering public service scene ecosystems, bolstering smart consumer service capabilities, and contributing to the creation of a liveable, resilient, smart, innovative, green, and humanistic city. Our leading efforts are pivotal in positioning Tianjin as an international consumption centre city and a regional trade centre city.



Driving technological innovation through scenario-based approaches and exploring new collaborative models integrating “education + finance”

The Tianjin Youth Activity Centre (天津市少年儿童活动中心) is one of the largest comprehensive out-of-school education venues in Tianjin and even in China. However, as the centre expanded its offerings and its student and teacher populations grew, it encountered challenges such as centralised fund management difficulties and significant pressure on enrollment and payment processes. The centre’s systems for enrollment management and payments urgently required modernization. Upon understanding these challenges, the Bank actively

explored a novel collaboration model of “education + finance”, developing an integrated online service system for “education administration-finance-course evaluation”, thereby enhancing the centre’s educational and financial management capabilities. On the system’s launch day, 9,988 orders were processed, with tuition payments exceeding RMB5 million. With streamlined operations for parents and precise course orders and accounting, the system garnered unanimous praise from the centre’s leadership and parents alike.



07

Service Plan of Supporting the “Comprehensive Rural Revitalization Project”

The Bank continued to increase financial support for agriculture, rural areas, and farmers, developing the *Bank of Tianjin Co., Ltd.’s Service Plan of “Comprehensive Rural Revitalization Project”*. We aim to bolster physical branch construction, diversify agricultural financial services, expand service modalities, foster integrated development across rural primary, secondary, and tertiary sectors, consolidate poverty alleviation gains, bolster economically disadvantaged villages, and provide comprehensive financial services to rural areas.

As of the end of the Reporting Period



the Bank had established
49
branches in Tianjin’s
agricultural regions

accounting for nearly
one-third
of the total branch network
in Tianjin

We have achieved full coverage of agricultural areas in Tianjin.



Facilitating the Tianjin Chinese Farmers’ Harvest Festival Celebration

On 23 September 2023, the Tianjin Chinese Farmers’ Harvest Festival Celebration (中国农民丰收节庆典活动) unfolded grandly at the Qililai Rice Fragrance Ecological Park (七里海稻香生态园) in Ninghe District. Leveraging the extensive reach of our “Smart Connect” financial service platform in Tianjin’s agricultural regions and its superior product and service offerings, the Bank was invited to participate in the festival. Capitalizing on this harvest festival’s momentum, the Bank harnessed its financial technology prowess and marketing acumen to offer comprehensive support to rural households’

business endeavours through the “Smart Wealth Connect to Farmers (智慧富民通)” product. By introducing innovative products like the “Smart Credit Connect (智慧信用通)”, which seamlessly integrates lending and account functionalities, we injected fresh vitality into rural consumption. Furthermore, by issuing “Smart Wealth Connect to Farmers” harvest season consumption vouchers, we not only attracted customers and boosted consumption but also opened up sales channels for agricultural products, thereby enhancing the brand visibility and popularity of rural tourism.



08

Service Plan of Supporting the “Green and Low-Carbon Development Project”

The Bank steadfastly implemented the central leadership’s major strategic directives concerning peak carbon dioxide emissions and carbon neutrality, formulating the *Service Plan of Supporting the “Green and Low-Carbon Development Project”* to effectively enhance financial support for Tianjin’s green and low-carbon development endeavours. In 2023, the Bank successfully granted the first carbon emission reduction loan among financial institutions registered in Tianjin.

As of the end of Reporting Period



our balance of green loans in Tianjin had reached

RMB **16.366** billion

an increase of

RMB **8.312** billion

representing a growth of

103.19%

compared to the beginning of the year

Promoting “economy under forest” development for “ecological dividends”

In 2023, the Bank provided credit support to an ecological agriculture technology limited company in Tianjin for their “Under-forest Cultivation and Comprehensive Utilization of Green Ecological Resources” project. This project was based on utilizing forest land in the local ecological forests, roadside green belts, and the southern area of reserve forests (including forest land and some water bodies) for projects such as under-forest cultivation, aquaculture, eco-tourism under the forest, and experiential education. By scientifically and reasonably utilizing forest resources and shaded spaces, the project aims to promote the transformation of “green” into “gold”, realizing the intensive, large-scale, and industrialized development of the “under-forest economy”. As of the end of the Reporting Period, the Bank had already disbursed a loan of RMB1.2 billion to this project.



Illustration of the Operation of Experiential Learning Education

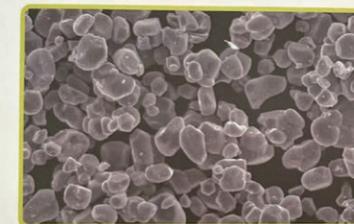


Focusing on the green energy industry to promote sustainable development

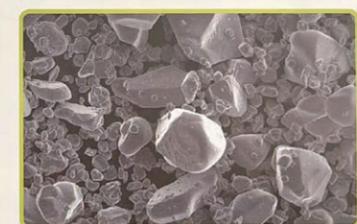
A Tianjin technology Co., Ltd., established in August 2002, specialises in the research, development, production, and sales of high-tech green and environmentally friendly lithium-ion battery cathode materials. With years of market experience in the lithium battery materials field and a reputation for quality products and technical services, this company has become one of the strongest and largest suppliers of lithium-ion battery cathode materials in China. It has been recognised as a national enterprise technology centre and a national intellectual property advantage enterprise. As a key enterprise in Tianjin’s new energy industry chain, this company is a priority for support from the Bank as an advanced manufacturing enterprise. To meet the financing needs arising from the rapid market growth of this company and accelerate capacity utilization, the Bank organised a “Four-in-One” service team to visit this company, actively learn the financing needs of the customers, and provide comprehensive credit of RMB50 million to support this company’s business development. This aims to support the rapid development of the new energy industry and contribute to its growth.

主要产品及应用

MAJOR PRODUCTS AND APPLICATION



三元正极材料
TERNARY CATHODE MATERIAL



钴酸锂
LITHIUM COBALT OXIDE



3C锂电
3C LI-ION BATTERY



电动汽车
ELECTRIC VEHICLE



风光储能站
WIND AND SOLAR ENERGY STORAGE STATION

09

Service Plan of Supporting the “High-Quality Living Creation Project”

The Bank wholeheartedly supports the construction of beautiful Tianjin and beautiful Haihe. We formulated the *Service Plan of Supporting the “High-Quality Living Creation Project”*. With the main focus on “boosting consumption and assisting businesses”, we are committed to providing financial services that effectively support the process of the “High-Quality Living Creation Project”.



Title sponsoring Tianjin Marathon to foster a fusion of “finance + sports”

In 2023, the Bank took the title sponsorship for the 2023-2025 Tianjin Marathon, taking practical actions to build the “finance + sports” ecosystem. On the day of the event, the Bank set up two final service stations and 5 cheering stations at key points along the route to provide ample logistical support and cheer for the participants. Furthermore, we acted as promoters, spreading awareness of Bank of Tianjin, the Tianjin Marathon, and Tianjin to various sectors of society. In the post-race service area, we carefully arranged stretching services, sealed race numbers, and other activities to provide excellent support for participants’ physical recovery, leisure, and relaxation, earning positive feedback from the community. Throughout the event, the Bank launched marathon-themed financial products, exclusive discounts, and produced race-completion packages, offering heartwarming services to promote nationwide fitness and contribute to improving people’s well-being, thus leveraging the power of finance to serve the city’s high-quality development.



Case Study



Title sponsoring the “Bank of Tianjin · 2023 Haihe Drama Festival” to foster a fusion of “finance + culture”

In order to cultivate a distinctive cultural identity for Tianjin, the Bank proudly took on the role of title sponsor for the “Bank of Tianjin · 2023 Haihe Drama Festival”. From the opening ceremony and opening gala performance to the major shows running through the end of 2023, the festival sought to explore the management of the “cultural clientele” and foster a harmonious fusion of “finance + culture” service offerings. We introduced a dedicated “Cultural Finance” section within our mobile banking app, presenting online themed activities under the banner of *Bringing Drama to Life with Bank of Tianjin* (天行“剧”惠, 好“戏”上演), while organising offline events in collaboration with our branch offices to engage drama enthusiasts. By curating a selection of renowned children’s dramas, magic shows, and traditional Chinese operas, our aim was to enrich the experiences of drama enthusiasts, fostering moments of family connection and an appreciation for theatrical arts, thereby positioning the Bank as a “heart-warming companion” within the community.



10

Service Plan of Supporting the “Party Building Leading the Grassroots Governance Project”

The Bank’s Party Committee unwaveringly upholds the spirit of the Central Financial Work Conference and aligns with the directives outlined in the Tianjin Municipal Party Committee and Municipal Government’s “Ten Projects”. We are firmly dedicated to ensuring that our endeavours to “strengthen roots and forge spirits” across the Bank yield concrete outcomes, thereby enhancing the Bank’s pursuit of high-quality development. We steadfastly implement the *Action Plan of Party Building Leading the Grassroots Governance Project*, employing top-notch party building to steer and protect the Bank’s high-quality development.



Jointly building Party spirit between the Bank and governments to drive development

Recognizing the inherent advantages of Party building within state-owned enterprises, we leverage collaborative initiatives as a driving force to continuously fortify grassroots party organisation construction, thereby infusing financial impetus into high-quality regional economic development. To deepen cooperation, our central branch office signed a collaborative agreement for joint Party building with the Fumin Road Street Party Working Committee. This year, we collectively organised the themed event “Jointly Building Party Spirit between



Banks and Government to Drive Development (银政共建强党性凝心聚力促发展)”. The event, comprising theoretical lectures, discussion sessions, and study visits, aimed at revitalizing and consolidating the ideological consensus among party members and cadres, and fostering high-quality development.

In addition, the central branch under the Bank, in collaboration with the district financial bureau, cooperative exchange office, and building management office, has formulated joint development plans. These plans aim to continuously expand the breadth and depth of inclusive financial services. With precise assistance to alleviate difficulties, we conducted over 100 visits to key sectors such as green development, livelihood industries, and technological innovation within our region. During the Reporting Period, we effectively addressed over 40 individualized needs of enterprises, providing over RMB5.8 billion in funding. This has not only offered more “financial warmth” to support the steady advancement and improvement of enterprises but has also significantly promoted the development of the real economy.



The image features a large, modern skyscraper with a grid-like facade of windows. On the left side of the building, the Tianjin Bank logo is visible, consisting of a stylized blue square with a white 'T' shape inside, followed by the Chinese characters '天津银行' (Tianjin Bank) in white. The building is set against a backdrop of a city skyline at night, with numerous illuminated skyscrapers and a network of glowing orange lines connecting various points across the scene. The overall color palette is dominated by blues and oranges.

天津银行

Governance

Establishing a Robust Foundation for
Development with the Guidance of Principles

- ✔ Implementing Strict Governance through Party Building
- ✔ Top-Level Design and Robust System
- ✔ Overall Planning and Strategic Arrangement
- ✔ Practical Commitment and Responsibility Management
- ✔ Consolidating Fundamentals and Operating in Compliance

Implementing Strict Governance through Party Building

In line with Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank is committed to the centralised and unified leadership of the Party Central Committee in financial matters. We comprehensively strengthen all aspects of Party building under the leadership of the Party's political development, promote high-quality development through high-quality Party building, and provide strong political guarantees for healthy development.

We bolster the construction of Party institutions and ensure smooth operational mechanisms. The Bank has integrated Party building into the Company's Articles of Association and formulated systems such as the Rules of Procedure of the Party Committee and the implementation measures of "Three Important and One Major (三重一大)" Decision-making. We have clarified the roles and responsibilities between the Party committee and governing bodies such as the Board of Directors, Board of Supervisors, and senior management, specifying the Party committee's status, functions, powers, duties, and decision-making processes. We have implemented the Party committee's function of prior discussion and deliberation, fully leveraging its role in setting direction, overseeing the overall situation, and ensuring implementation.

We enrich theoretical learning within the Party to elevate Party building efforts. During the Reporting Period, the Bank rigorously implemented the "First Agenda" system, making the study and comprehension of General Secretary Xi Jinping's latest important speeches and directives the first agenda item of Party committee meetings. We earnestly implemented the "Three Meetings and One Lecture" system, regularly organising Party members to study innovative Party theories and policies, fostering intra-party unity, and fortifying the cohesion of Party members. We successfully concluded the theme education on Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, earnestly conducting study seminars and fostering a culture of extensive research. We intensified rectification and reform efforts, established a sound institutional mechanism, ultimately forming 8 research topics. We established a "3+1" list system comprising problem lists, demand lists, exploration lists, and achievement lists. Additionally, we formulated goals for the "Five Major Battles" and "Five Speed-up Battles", thereby injecting momentum into high-quality development.

We strengthen organisational assurances within the Party to consolidate the foundation of Party building. The Party committee of the head office has consistently adhered to the principle of "setting up Party organisations where necessary", organising and facilitating various departments and branches to independently establish Party branches. We have strengthened the standardised construction of grassroots Party branches, actively promoting joint efforts between key leaders and Party branch secretaries, ensuring the full coverage of Party organisation and work. During the Reporting Period, the Party committee of the head office guided grassroots Party committees (general branches) in deeply conducting activities centred on the theme of "Party building leads aggregation, brand creation promotes development" based on the deepening of the "one institution, one brand" and "one branch, one project" initiatives. Each grassroots Party committee (general branch) concentrated on central tasks, strengthened political leadership, and cultivated distinctive Party building brands that drive high-quality development. We endeavoured to translate the advantages of Party building into organisational and developmental advantages, thereby promoting the high-quality development of Bank of Tianjin through effective Party building efforts.

As of the end of the Reporting Period



the Bank's Party committee had a total of

330

Party organisations

including

13

Party committees (including the Party Committee of the head office)

5

general branches

312

Party branches



Throughout the Bank, we had a collective membership of

2,427

Party members

consisting of



full members

2,345



probationary members

82

Top-Level Design and Robust System

The Bank has always strictly complied with laws and regulations such as the *Company Law of the People's Republic of China*, *Law of the People's Republic of China on Commercial Banks*, *Corporate Governance Standards for Banking or Insurance Institutions*, as well as regulatory provisions and governance requirements outlined in the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*. The Bank has established a corporate governance structure, including the general meeting of shareholders, the Board of Directors, the Board of Supervisors, and senior management. Additionally, the Bank has formed a modern financial enterprise system with Chinese characteristics centred on the *Articles of Association of Bank of Tianjin Co., Ltd.* Each corporate governance entity has clear responsibilities, functions independently, coordinates effectively, and provides effective checks and balances, ensuring the stability and effectiveness of the corporate governance mechanism.

Sound Operation of Corporate Governance System

During the Reporting Period, the Bank has continually fortified the development of various corporate governance entities, thereby facilitating the scientific and efficient operation of the "the general meeting of shareholders, the Board of Directors, the Board of Supervisors, and senior management". We intensified our oversight of shareholder conduct, completed the annual assessment of major shareholders' performance of duties and obligations, and organised special rectification efforts targeting internal manipulation and external manipulation in 2023, as well as normalisation of equity and related-party transaction rectification work. Furthermore, we bolstered the composition and effectiveness of both the Board of Directors and the Board of Supervisors, conducting elections and verifying qualifications for directors, board chairpersons, and supervisors in an orderly manner. As of the date of the Report, the Board of Directors had established 6 specialised committees, comprising a total of 13 directors, including 4 independent non-executive directors. In terms of professional backgrounds, there are 6 directors with financial backgrounds, 3 with backgrounds in finance, accounting, and auditing, 2 with backgrounds in economics and management, 1 with a legal background, and 1 from the education sector. Regarding gender representation, there is 1 female executive director and 2 female non-executive directors, ensuring effective diversity within the Board of Directors. The Board of Supervisors has 2 specialised committees and a total of 5 supervisors, including 1 shareholder supervisor, 2 employee supervisors, and 2 external supervisors, 2 of who are female, providing effective supports for the supervision duties of the Board of Supervisors.

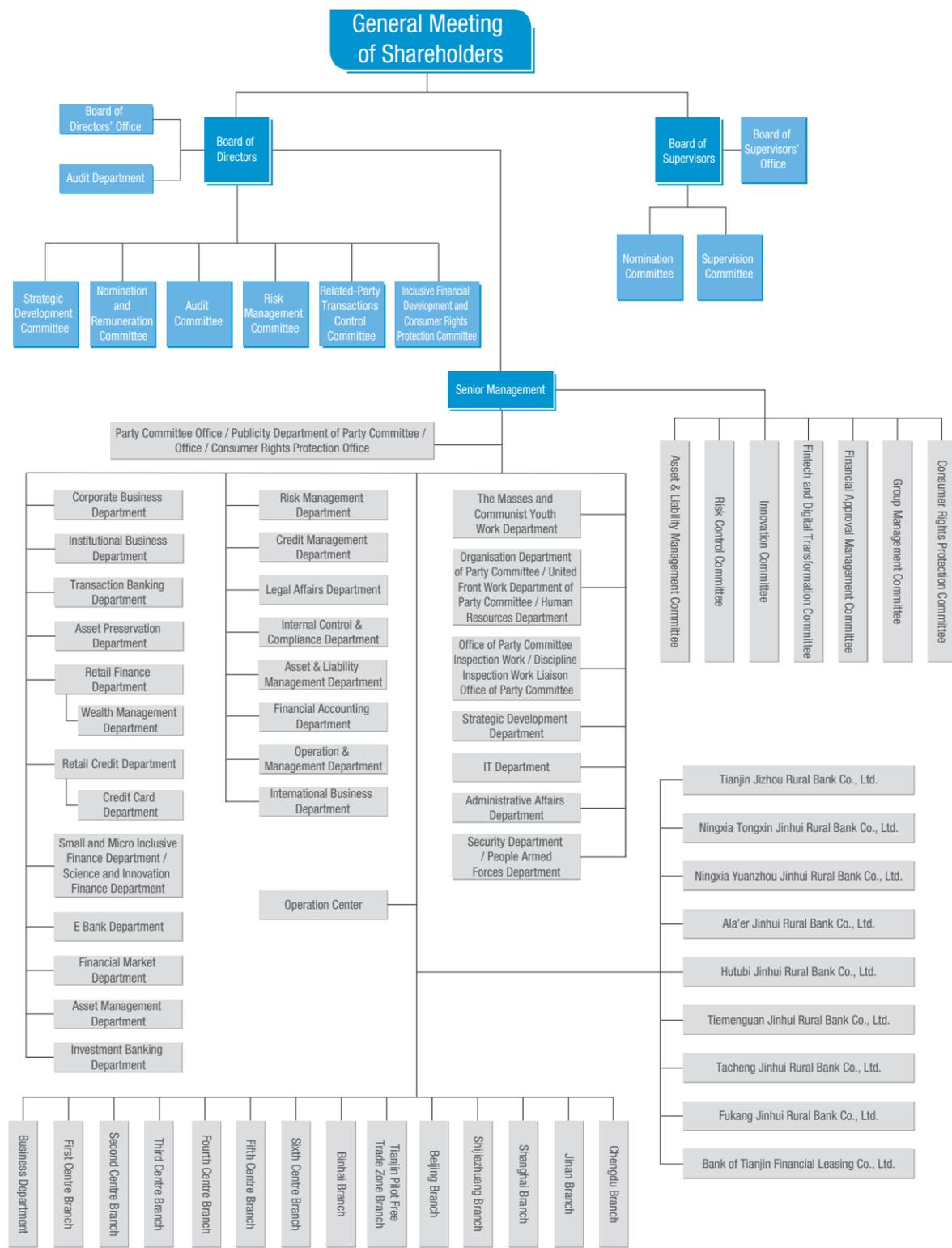
During the Reporting Period, the Bank held a total of 5 general meetings of shareholders (including class meetings), at which a total of 12 motions were deliberated and 3 reports were reviewed; 8 meetings of the Board of Directors, at which a total of 59 motions were deliberated and 29 reports were reviewed; 28 meetings of the Specialised Committees of the Board of Directors, at which a total of 81 motions were deliberated; 9 meetings of the Board of Supervisors, at which a total of 67 motions were deliberated and 34 reports were reviewed; and 16 meetings of the Specialised Committees of the Board of Supervisors, at which a total of 95 motions were deliberated.

Effective Enhancement of Directors' and Supervisors' Performance

Through a combination of research and training, we organised 2 specialised research sessions for directors, 12 thematic training sessions and meetings, covering key frontier topics such as corporate governance, consumer rights protection, ESG, and cross-domain operations. We regularly compiled monthly newsletters for directors and supervisors, enabling them to timely grasp macroeconomic trends, policy and regulatory requirements, the Bank's operational dynamics, and industry developments, facilitating efficient performance of their duties. We strengthened incentives and constraints, improved the performance records of directors, completed performance evaluations for the Board of Directors and directors as well as the Board of Supervisors and supervisors, and senior management and their members for the year 2022, and took the lead in conducting performance assessments for the Board of Directors on the chief auditor, the audit department, and their leaders, exercising the assessment functions of the Board of Directors.

Continuous Optimisation of Information Disclosure

During the Reporting Period, the Bank strictly adhered to domestic and foreign information disclosure requirements, optimising the format and the content of information disclosure, ensuring comprehensive, objective, and timely disclosure of information. During the information disclosure process, the Board of Directors effectively implemented information disclosure management functions, rigorously reviewing disclosure formats, content, and timing; the Board of Supervisors exercised supervisory functions, thoroughly reviewing various regular reports; senior management actively cooperated, providing comprehensive and accurate disclosure content. During the Reporting Period, the Bank disclosed over 50 announcements in total, including some new disclosures such as quarterly financial data. We aimed to promote investors' timely understanding of the Bank's operations and effectively safeguarded the legitimate rights and interests of shareholders, particularly small and medium-sized investors.



Structural Diagram of Corporate Governance

Overall Planning and Strategic Arrangement

The Bank will thoroughly implement the spirit of the Central Financial Work Conference, the Central Economic Work Conference, as well as the decisions and arrangements made by the Tianjin Municipal Party Committee and Tianjin Municipal People's Government. Focusing on the market positioning of "serving the local economy, micro, small and medium-sized enterprises, and the common people", the Bank will solidify the five development concepts. Also, with the goal of "revitalising existing resources, fostering incremental growth, and enhancing quality", the Bank will adhere to a clear business ethos of "prioritising business in Tianjin while optimizing business in other areas". The Bank will adhere to a problem-oriented and foundation-oriented approach to persistently advance the "Double Five Battles (双五战役)". The Bank will seize new strategic opportunities and deepen financial supply-side reforms, providing services for economic and social development as well as Tianjin's "Ten Projects" and the regions where its branches are located to develop strategic key industries. Furthermore, the Bank will make greater efforts in the "Five Major Articles" of "science and technology, green, inclusive, pension, and digital" finance.



Practical Commitment and Responsibility Management

In accordance with the *Environmental, Social, and Governance Reporting Guide* of the Hong Kong Stock Exchange, the *Opinions of the General Office of the China Banking and Insurance Regulatory Commission on Enhancing the Social Responsibility of Financial Institutions in the Banking Industry*, the *Guidelines for Corporate Social Responsibility of Financial Institutions in the Banking Industry of China*, and the *Green Finance Guidelines for the Banking and Insurance Industry*, the Bank has established a group ESG management system under the leadership of the Board of Directors. Leveraging this system, we continuously promote the effective implementation of ESG strategies, enhance talent development in the ESG field, foster research collaborations in ESG field, refine stakeholder communication mechanisms, and continuously improve our ESG management capabilities.

Statement of the Board of Directors and the Responsibility Management

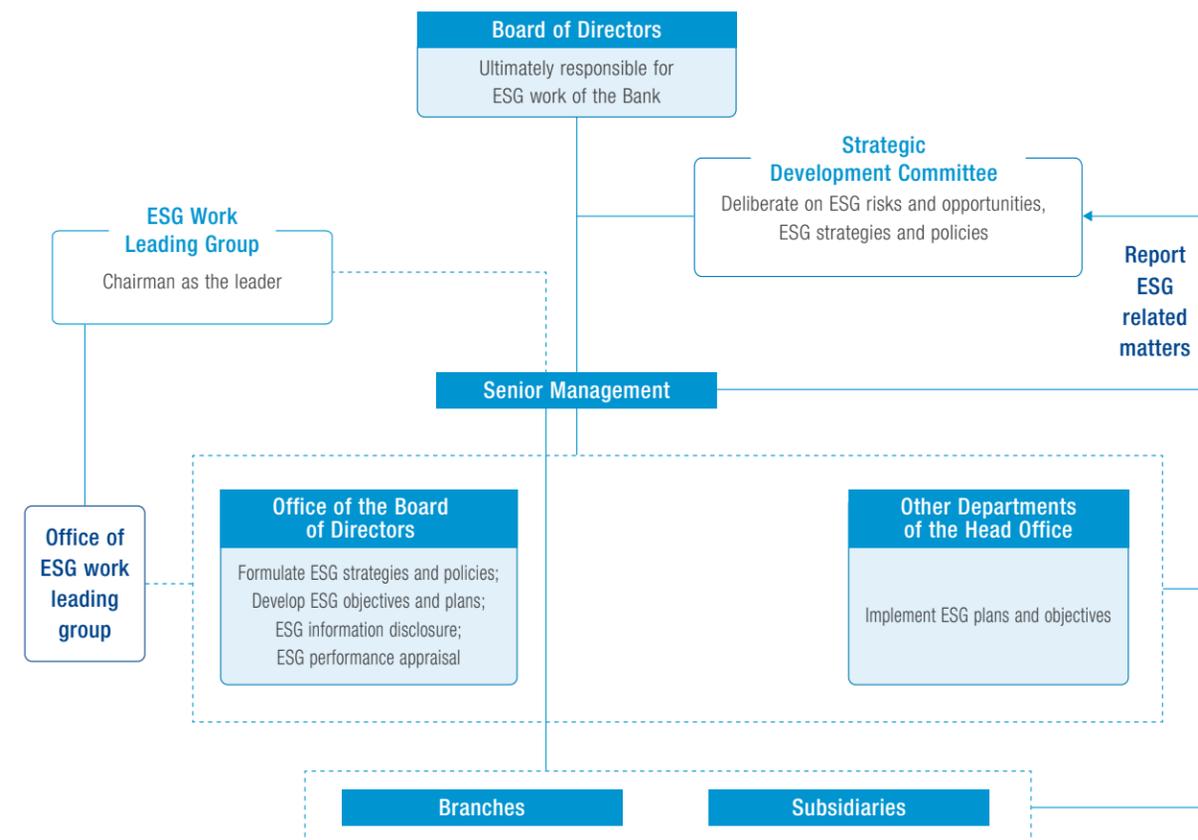
The Board of Directors of the Bank has the ultimate responsibility for ESG efforts. The Board of Directors of the Bank is responsible for analysing the materiality of ESG issues every year. This involves deliberating on and identifying the Bank's risks and opportunities concerning environment, society and corporate governance. It also formulates and enhances strategies, policies, systems and organisational structure related to ESG. Additionally, it sets key issues management and improvement as the focal point of ESG and sustainable development strategies in practice. During the Reporting Period, the Board of Directors considered and adopted ESG-related issues such as the 2022 Social Responsibility Report of Bank, the 2022 Green Credit Work Report, the 2022 Consumer Rights Protection Work Report and 2023 Work Plan on Inclusive Micro and Small Business, and multiple donation initiatives.

A Comprehensive ESG Management System

The Bank has established a comprehensive ESG management system at both the institutional and management structure levels, fostering effective mechanisms for ESG initiatives and multidimensional paths for ESG talent development.

At the system level, the Bank has incorporated "sustainability" into its business principles, embedded "promoting economic development, environmental friendliness and social progress" into its management tenet. Moreover, we have tasked the Board of Directors with "supervising and evaluating the Bank's performance in fulfilling social responsibilities and fostering sustainable financial development. The Bank has also included ESG management responsibilities within the working rules of the Development Strategy Committee of the Board of Directors, and formulated and issued the *Management Policies on Social Responsibility (ESG) of Bank of Tianjin Co., Ltd.* and the *Measures for Management of Social Responsibility (ESG) of Bank of Tianjin.*

At the management structure level, the Bank has set up an ESG work leading group with the chairman as the leader, involving senior management, heads of departments of the head office, branches and subsidiaries, forming an ESG working mechanism with top-down participation of the whole bank. The Board of Directors is the supreme decision-making body for ESG management; the Development Strategy Committee under the Board of Directors is responsible for the specific management of ESG matters. The senior management, departments of the head office, branches and subsidiaries are the executive bodies of ESG, responsible for implementing ESG-related plans and initiatives, and reporting to the Board of Directors and the Development Strategy Committee under the Board of Directors regularly.



The ESG strategy has been effectively implemented. The Bank has further optimised the formulation of annual ESG work objective action plans and task lists. Starting from external regulatory requirements, stakeholder demands, and our own development needs, we have organised all departments, branches, and subsidiaries to jointly develop 83 work objectives and 140 implementation measures. Among these, 25% are quantifiable indicators. We have clearly defined responsible teams and specific deliverables, and we monitor implementation quarterly while conducting annual assessments, effectively ensuring the high-quality implementation of the ESG strategy.

ESG talent cultivation was deepened to a practical level. During the Reporting Period, the Bank has further improved the ESG talent cultivation path centred on professional training and subject research, and enhanced the ESG work capacity of employees in multiple dimensions. In terms of training, the content covers the latest requirements of the International

Sustainability Standards Board and the Hong Kong Stock Exchange on sustainable disclosure and climate-related disclosure, as well as topics such as ESG certification, carbon neutrality pathways, ESG ratings, and green finance. The cumulative number of participants exceeded 3,000, including members of Board of Directors, Board of Supervisors, senior management, middle-level managers, and employees. In terms of subject research, the Bank's application for a research project on promoting climate readiness for small and medium-sized banks in the Beijing-Tianjin-Hebei region has been selected by the Ministry of Finance and the Asian Development Bank for inclusion in the 2023 technical assistance project plan list. We have completed the fourth batch of key research projects for the Tianjin Financial Association, exploring the establishment of a quantitative analysis system for climate risks in small and medium-sized banks. We have also conducted investigations and research on cutting-edge topics such as the ocean economy and blue finance, providing effective support for business development.

Stakeholder Communication

Optimising Stakeholder Communication Mode

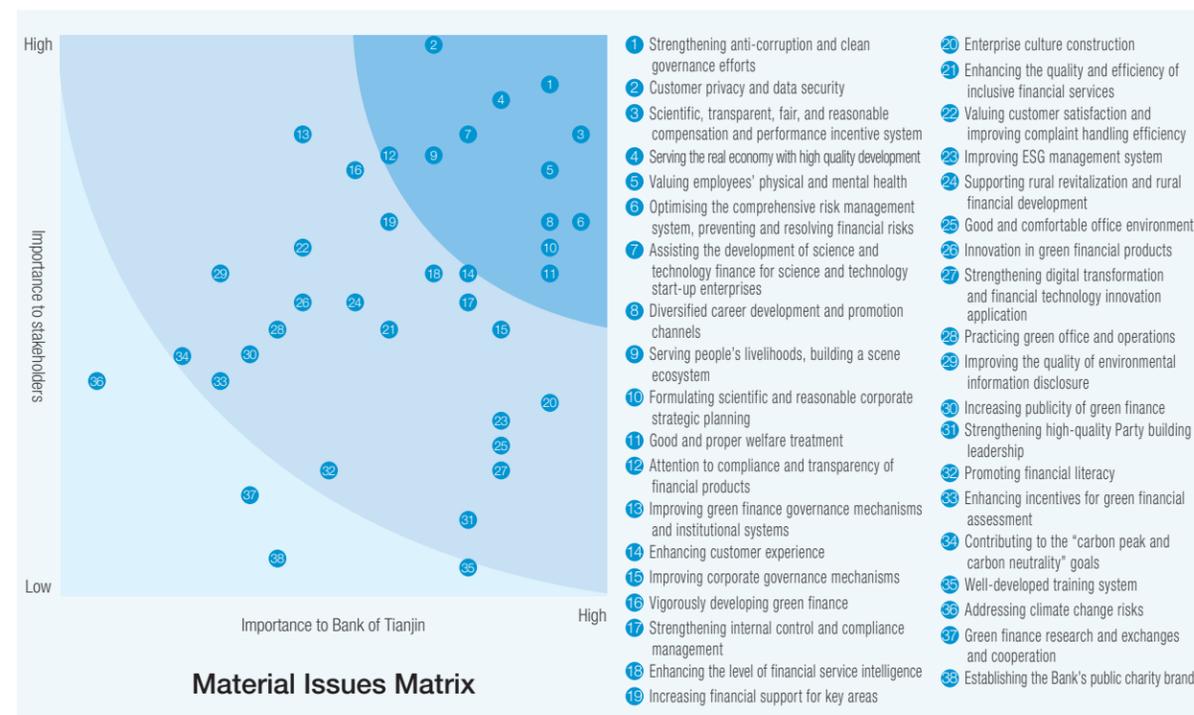
The Bank has established a rich daily and regular communication mechanism to systematically sort out and summarise stakeholder communication and feedback and identify major ESG issues for the year accordingly.



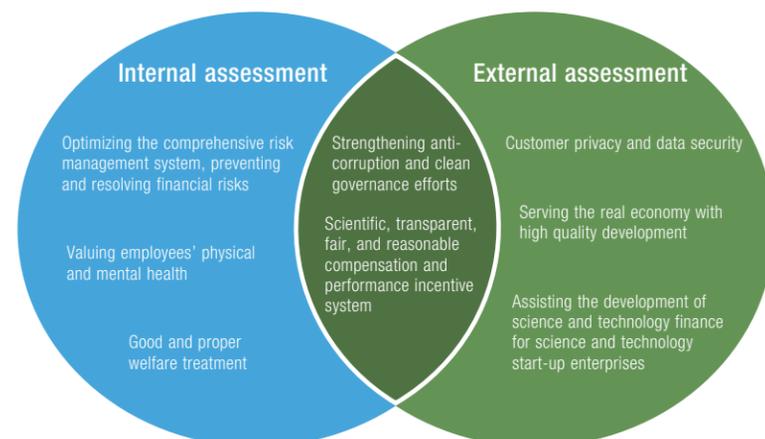
Assessment of Material Issues

According to the general disclosure issues, key performance indicators and relevant regulatory policy requirements and trends involved in the *Environmental, Social and Governance Reporting Guide* of the Hong Kong Stock Exchange, the Bank conducts an internal and external significance assessment on 38 issues from the three dimensions of corporate governance responsibility, environmental responsibility, and social responsibility through questionnaire survey. The final survey yielded 3,433 valid questionnaires, covering all stakeholders mentioned earlier. The questionnaires were collected from all 25 provincial-level administrative regions (including special administrative regions) nationwide, as well as 3 overseas countries and regions.

From perspectives of the material issues matrix, the issues involved in the questionnaire all reach the importance level. Most of the key topics focus on social responsibility, followed by governance responsibility, and finally environmental responsibility. The issues were categorized into "Core Issues", "Important Issues", and "General Issues" based on their importance to the Bank and stakeholders. There are 12 "Core Issues".



According to the analysis of commonalities and characteristics of internal and external materiality assessment, strengthening anti-corruption and clean governance efforts, scientific, transparent, fair, and reasonable compensation and performance incentive system are the common issues that both internal and external stakeholders are highly concerned about. In addition, internal stakeholders focus on optimising the comprehensive risk management system, preventing and resolving financial risks, valuing employees' physical and mental health as well as good and proper welfare treatment; external stakeholders focus on customer privacy and data security, serving the real economy with high quality development, and assisting the development of science and technology finance for science and technology start-up enterprises.



Analysis of Commonalities and Characteristics of Internal and External Assessments

Through questionnaire surveys, the Bank invited stakeholders to provide opinions or suggestions regarding our social responsibility initiatives. The following key words were selected based on the high level of attention they received:



To better address the concerns of stakeholders, this report provides focused disclosure of information related to core issues. The index directory is as follows:

Topic titles	Pages of disclosure
Strengthening anti-corruption and clean governance efforts	41
Customer privacy and data security	80-81
Scientific, transparent, fair, and reasonable compensation and performance incentive system	86-89
Serving the real economy with high quality development	44-61
Valuing employees' physical and mental health	93-97
Optimising the comprehensive risk management system, preventing and resolving financial risks	36-37
Assisting the development of science and technology finance for science and technology start-up enterprises	44-45
Diversified career development and promotion channels	89
Serving people's livelihoods, building a scene ecosystem	76-79
Formulating scientific and reasonable corporate strategic planning	31
Good and proper welfare treatment	89, 93-96
Attention to compliance and transparency of financial products	80-82

Consolidating Fundamentals and Operating in Compliance

During the Reporting Period, in accordance with the requirements of the "Five Major Battles" and "Five Speed-up Battles", the Bank continued to strengthen risk management and fought the "battles of risk mitigation". The Bank continued to enhance compliance operating level, strengthened system management and personnel management, and optimised the working mechanism for anti-money laundering, anti-fraud and cross-border gambling. With the "Supervision and Integration Acceleration Battle" as the lead, the Bank gave full play to the effectiveness of anti-graft and anti-corruption collaboration in all lines, so as to lay a solid foundation for the Bank's steady development.

Enhancing Comprehensive Risk Management to Fight the "Major Battles of Risk Mitigation"

Continuous improvement of Comprehensive Risk Management System

The Bank has established a comprehensive risk management system. Under the leadership of the Board of Directors, we have set up a layered governance structure with the "Three Defence Lines" as its core. Risk management policies cover various major risk types and business areas, utilizing risk management systems and various risk management tools to strengthen risk identification, measurement, assessment, control, mitigation, and reporting, ensuring effective management of related risks. During the Reporting Period, the Bank continued to improve its overall risk management level by improving the system, optimizing risk appetite, strengthening credit risk management and upgrading the risk management system.

"Major Battles of Risk Mitigation" Achieved Significant Results

During the Reporting Period, the Bank adhered to the principles of "reducing old risks while controlling new ones, collective management, innovative approaches, and refined management", focused on "strengthening collection and refined management". On the one hand, we accelerated the disposal and realization of pledged and seized properties and the search for effective property clues to promote the progress of liquidation and disposal; on the basis of traditional means of disposal such as judicial disposal and asset promotion, we applied multi-dimensional liquidation modes, strengthened cooperation with the courts, and actively promoted the new modes of online non-performing liquidation and disposal, such as payment orders, batch litigation, and mediation. On the other hand, we maintained favourable access to credit, prioritised our own area while optimising opportunities in other areas. We facilitated the adjustment of credit structure, adhered to the bottom line of compliance, and comprehensively enhanced the quality of assets. These efforts have ushered in a new era of high-quality development.

Risk Indicator (31 December 2023)



Non-Performing Loan Ratio

1.70%

Compared with the end of the previous year

-0.14%



Provision Coverage Ratio

167.86%

Compared with the end of the previous year

8.59%



Overdue Loan Ratio

2.19%

Compared with the end of the previous year

-0.74%

Enhancing comprehensive risk management system

- Revise the *Comprehensive Risk Management System of Bank of Tianjin Co., Ltd.* to implement regulatory requirements and enhance the comprehensive risk management system as well as the adaptability of the Bank's scale and business complexity.

Optimizing risk appetite statements

- Issue the *2023 Risk Appetite Statement for Bank of Tianjin Co., Ltd.*, accurately depicting risk characteristics, clearly expressing risk attitudes, setting reasonable risk appetite thresholds, emphasizing both qualitative and quantitative indicators, and promoting effective implementation of risk culture.

Strengthening credit risk management

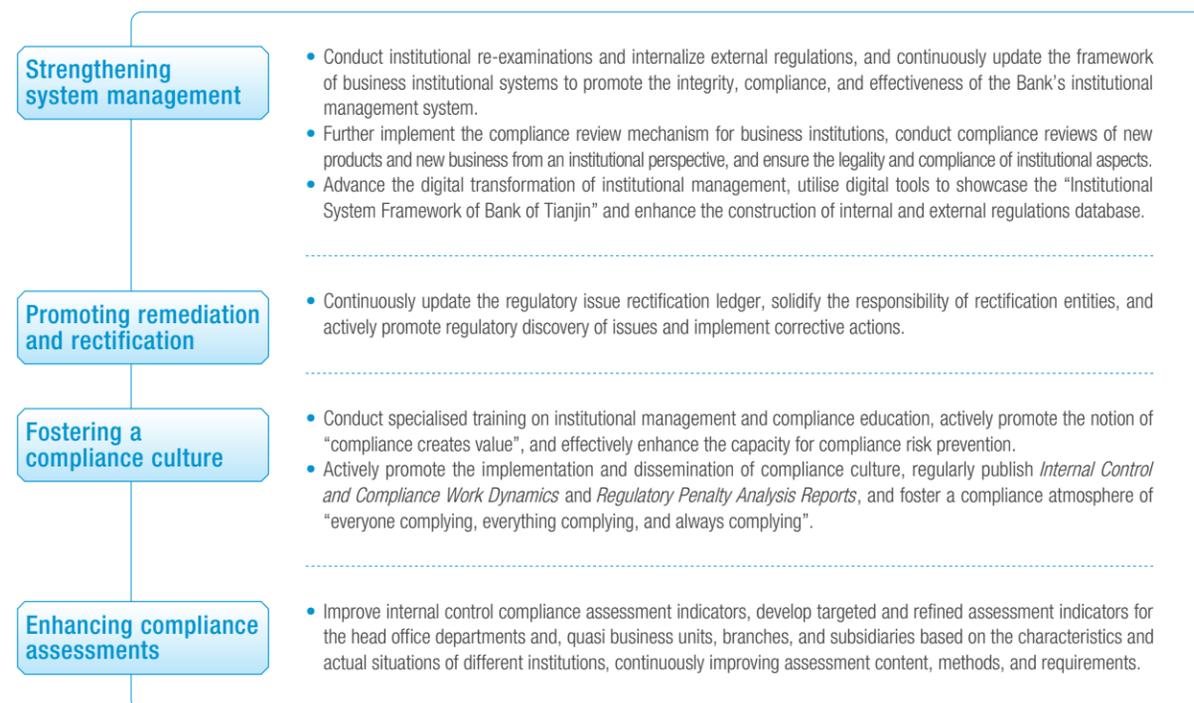
- Focus on promoting the implementation of the work related to the measurement of credit risk-weighted assets under the *Capital Management Measures for Commercial Banks*, sort out the status of the Bank's asset business, and carry out the classification of risk exposures under the credit risk weighting methodology and the measurement of credit risk-weighted assets to ensure regulatory compliance, and optimise the asset structure.
- Promote the construction of credit risk refinement, carry out diagnosis in governance structure, policy system, process management and data application, etc., find out the gaps and formulate enhancement plans to improve the science and effectiveness of credit risk management.

Upgrading the risk management system

- Improve and optimise the early warning management system. Making full use of data science and technology and deeply combining them with business scenarios, we have built a single-customer credit risk early warning model system to achieve the level of refinement of "categorization, layering and grading"; applying non-linear algorithm to build early warning models, supplementing the performance of linear early warning models, and enhancing the effectiveness of early warning for the customer layer.
- Rebuild the Internet risk control system, streamline and optimise the approval strategy, and analyse and develop the existing credit data indicators and derive the indicators based on regulatory requirements and the actual situation of the Bank.

Strengthening Compliance Management and Upholding Compliance Bottom Line

The Bank consistently prioritises compliance management as a key task, continuously optimising and enhancing its compliance management system. During the Reporting Period, the Bank continuously improved its compliance operating level through strengthening system management, promoting regulatory issue rectification, fostering a compliance culture, and enhancing compliance assessments, ensuring effective compliance risk control. The Bank has established channels for compliance and integrity reporting, encouraging reports of illegal, non-compliant, and unethical behaviour through legal channels. During the Reporting Period, the compliance and integrity reporting mechanism operated effectively.



Deepening the "online intelligence and offline grid" practitioner management mechanism

Case Study

To further strengthen personnel behaviour management, the Bank continues to deepen the "online intelligence, offline grid" mechanism for staff management. Firstly, utilizing technology to empower "online intelligence" of staff supervision and management, the Bank employs external big data and other intelligent means to create comprehensive "personnel profiles" from multiple dimensions. Secondly, it establishes a sound grid management framework for staff behaviour, adhering to the principle of "who is in charge, who is responsible". This framework promotes the integration of business supervision and behavioural supervision, strengthening measures such as mutual responsibilities, inspections, visits, warning education, risk investigation, and

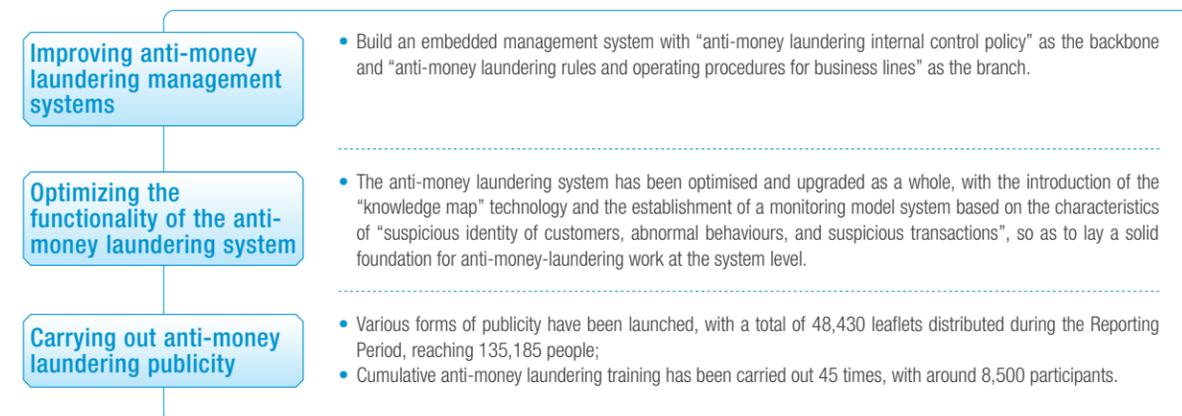
disciplinary actions. Various forms of inspection, spot checks, "back-to-back" mutual checks, home visits, daily observations, conversations, and on-site inspections are conducted throughout the Bank to carry out comprehensive routine checks on personnel behaviour. On this basis, the "personnel behaviour risk management platform" is built, and the "arsenal" of closed-loop management of employees' risk in the whole process of the whole bank is built with the "data + model + platform" model. This includes a "grid tree diagram" covering all staff and an online channel for investigating personnel behaviour, maximizing system utility to consolidate and improve the results of grid management efforts.

Anti-Money Laundering, Anti-Fraud, Anti-Cross-Border Gambling

The Bank strictly abides by the *Criminal Law of the PRC*, the *Anti-Unfair Competition Law of the PRC*, the *Interim Provisions on Prohibition of Commercial Bribery*, the *Anti-Money Laundering Law of the PRC*, the *Administrative Measures for the Reporting of Large-Value Transactions and Suspicious Transactions by Financial Institutions*, *Guidelines for Risk Assessment of Money Laundering and Terrorist Financing of Financial Institutions* and *Client Classification Management, Guidelines for the Management of Behaviours of Practitioners of Banking Financial Institutions* and other laws and regulations to prevent various risk events including bribery, extortion, fraud, money laundering and terrorist financing.

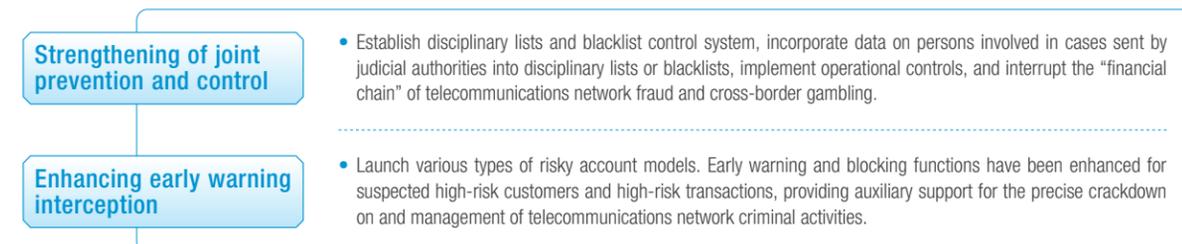
Anti-Money Laundering

The Bank has formulated multiple internal control policies covering money laundering risk management policies, customer identification, customer risk classification and categorization management, reporting of large and suspicious transactions, list screening, retention of customer identity information and transaction records, anti-terrorist financing and freezing of assets related to terrorism, money laundering risk self-assessment, confidentiality of anti-money laundering, internal audits, training and publicity, assessment and accountability, as well as anti-money laundering contingency plans. These systems provide guidance and instructions for the orderly implementation of daily anti-money laundering work. During the Reporting Period, the Bank was not aware of any litigation arising from the violation of anti-money laundering and other laws and regulations in the places of operations.



Anti-Fraud, Anti-Cross-Border Gambling

In accordance with the relevant provisions of the *Anti-Telecommunications Network Fraud Law of the PRC* and the *Opinions on Strengthening the Crackdown on and Governance of Illegal Crimes in Telecom Network Fraud*, the Bank treats the governance of telecom network fraud and the "financial chain" of cross-border gambling as political tasks to be earnestly implemented. We reinforce the organisational guarantee for the governance of telecom network fraud and the "financial chain" of cross-border gambling, and comprehensively implement various measures for prevention, control, and management. During the Reporting Period, the Bank continuously strengthened the construction of systems in various aspects such as prevention, warning, interception, etc., through technological means. We enhanced the coordination between police and the Bank, and improved the effectiveness of anti-fraud and anti-gambling efforts.



The police, the Bank, and procuratorate are jointly establishing a robust defence against fraud

In line with our commitment to corporate social responsibility as a financial enterprise and to enhance public awareness and resilience against fraud, the Bank has strengthened collaboration with the procuratorate and public security organs to jointly fortify our defences against fraud.

On 13 July 2023, in collaboration with the police officers from the Telecommunications Fraud Centre in Baodi District, Tianjin, and the Anti-Fraud Alliance of Baodi Jiangcheng Emergency Rescue Team, the Bank visited the Tianjinyuan community. Together, we vividly depicted the characteristics of the "Top Ten High-Incidence Cases" and shared insights on the "Seven Anti-Fraud Weapons" to prevent telecom fraud. Our aim was to help residents cultivate a preventive awareness with the motto "Don't Ignore Early Warnings, and Prioritise Financial Security".



On 20 July 2023, the Bank and the First Branch of Tianjin Municipal People's Procuratorate jointly carried out activities on the topic of prevention of telecommunication network fraud. Together, we disseminated knowledge on preventing telecommunications fraud directly to customers on-site. These involved displaying informational banners, broadcasting anti-fraud promotional films, setting up dedicated sections for anti-telecommunication network fraud awareness, and distributing informative leaflets. These concerted efforts aimed to strengthen the "anti-fraud wall" for the general public.

Anti-Corruption

In accordance with the *Regulations of the Communist Party of China on Disciplinary Actions*, the *Supervision Law of the People's Republic of China* and other Party rules, laws and regulations, the Bank has been continuously advancing the comprehensive and strict governance of the Party in a deeper and more practical manner. During the Reporting Period, in accordance with the requirements of the "Supervision and Integration Acceleration Battle (监督统筹提速战)", the Bank diligently bolstered the efficacy of its anti-corruption endeavours. This involved refining coordination and oversight mechanisms, intensifying inspections and audits, establishing accessible complaint channels, and delivering training to warn against corruption. These initiatives were undertaken to foster a transparent and ethical business environment conducive to entrepreneurship, with the aim of building a "clean and honest Bank of Tianjin". During the Reporting Period, there was 1 concluded corruption litigation case related to the Bank's employees, which was adjudicated by the judicial authorities in accordance with the law.

Training sessions on anti-corruption



Improving the coordination and supervision mechanism

- Established a mechanism for coordination between disciplinary inspection and supervision and Party committee inspections, ensuring effective information sharing and communication to form a collaborative supervision force.
- Conducted quarterly analyses of complaint reporting and inspection and investigation findings, and reported to the Party committee of the Bank, in order to assess and analyze issues related to Party construction, cadre management, and political ecology.

Strengthening inspections

- Formulated 41 prohibitions for integrity risk prevention and control, and conducted self-examination and self-correction throughout the Bank to strengthen the line of defence against integrity risks.
- Completed routine inspections of 5 branch offices and 2 subsidiaries, as well as a "look-back" inspection of 1 branch office, identifying issues and driving rectification.
- Strengthened supervision of young cadres by conducting multidimensional "integrity portraits" through personal self-assessment, leadership evaluation, grassroots assessment with assistance, and comprehensive fine assessment, to promote the integrity and performance of young cadres.

Making complaint channels accessible

- Embraced the concept of "broad petitioning", enhanced internal horizontal communication to coordinate the resolution of disciplinary reports, petitions, complaints, and other issues.
- Properly handled problem clues, comprehensively analyze the root causes of issues, and issued supervision advisory letters to the Party committee.
- Conducted follow-up education for individuals subjected to disciplinary action and inspected the implementation of disciplinary measures.

Providing proper warning training

- Selected typical cases in the financial industry and compiled and printed *Financial Case Study*, published 88 issues of "Integrity Aphorisms and Mottos of Bank of Tianjin", and released more than 20 issues of relevant policies and regulations and work developments in the column of "Integrity of Bank of Tianjin" in *Bank of Tianjin Newspaper*, to further enhance the awareness of the whole bank's clean and honest practices.
- Conducted 2 bank-wide warning and education conferences to strengthen warning and deterrence.
- Organised collective integrity talks for leading cadres to strengthen the education, supervision and warning of the "key minority" of leading cadres.
- Organised Party committee (general branch) secretaries at all levels to carry out special party lectures on clean government, and party branches to carry out "clean branch" theme party day activities.

Conducting special warning education

On 29 November 2023, the Bank organised a total of more than 800 leading cadres above the deputy level at the grassroots level to hold a warning education conference on strict governance of the Party and the Bank and the Rule of Law Work Conference in 2023. In addition, we invited judges of the First Intermediate People's Court of Tianjin and lawyers of relevant law firms to carry out special training on the risks of legal compliance. At the conference, the accountability statistics in recent years were informed, and a warning education book was distributed on-site to remind the Bank's leading cadres to uphold honesty and self-discipline, and adhere to legal compliance. All these aim to contribute to the success of "Five Major Battles" and "Five Speed-up Battles".



Economy

Prioritising Practicality and Making Greater Efforts in the “Five Major Articles”

- ✓ Technology Finance
- ✓ Green Finance
- ✓ Inclusive Finance
- ✓ Pension Finance
- ✓ Digital Finance

Technology Finance

In full response to the call for the "technology finance" policy, the Bank continues to place great emphasis on supporting science and technology innovation enterprises and assisting in technological development, which aims to facilitate a robust interaction between "technology" and "finance". During the Reporting Period, we further refined the organisational structure of technology finance, optimised the service model for technology finance, innovated technology finance products and enhanced the capabilities in providing technology finance services.

As of the end of the Reporting Period



the balance of loans to technology-based enterprises increased by

RMB **1.522** billion

or

14.97%

compared to that of the end of the previous year

Refining the organisational structure of technology finance

- The Bank established the Science and Technology Innovation Finance Department, a first-level department of the head office, developing a specialised system for science and technology innovation finance.
- The Bank formed a specialised team for science and technology innovation finance, nurturing distinctive branches and establishing marketing teams for science and technology innovation enterprises.

Optimising the service model for technology finance

- The Bank strengthened partnerships with market institutions, with the focus on "financing + intelligence" to build a diverse and relay-style comprehensive financial service model that encompasses "equity, bonds, loans, funds, leasing, and insurance & guarantee".
- The Bank customised a comprehensive financial service model for the entire life cycle of "customer ecological map + demand scenarios + product ecosystem map" by considering the different life cycles of science and technology innovation enterprises.

Innovating technology finance products

- The Bank introduced innovative credit products such as "Smart Science and Technology Innovation Enterprise Loan", "Smart Specialised, Refined, Differentiated and Innovative Loan" and "Special Park Loan".
- The Bank underwrote the first private science and technology innovation enterprise intellectual property asset-backed notes in Tianjin.

Enhancing the capabilities in providing technology finance services

- The Bank hosted a specialised training session themed "Striving for Wisdom of Bank of Tianjin and Making Strides in Science and Technology Innovation", with more than 1,200 participants across the Bank.

"Smart Specialised, Refined, Differentiated and Innovative Loan"

The "Smart Specialised, Refined, Differentiated and Innovative Loan" introduced by the Bank is a tailor-made loan product in response to the requirements of the national development strategy to support the growth of "specialised, refined, differentiated and innovative" enterprises. This loan is crafted to meet the distinct needs of small and medium-sized enterprises (SMEs) and "little giants" enterprises falling under the specialised, refined, differentiated and innovative category.

Founded in 2012, a certain construction technology company limited stands as a national-level high-tech enterprise and provincial specialised, refined, differentiated and innovative enterprise. The company specialises in

the research and development, manufacturing, sales, and services of integrated construction and energy-saving component products. Recognised as the "Shandong Province Modernized Production Base for the Construction Industry", the company holds numerous invention and utility model patents. The company has actively contributed to the formulation of over 50 national, industry and local standards, establishing itself as a leading force in the segment of the industry chain, with sufficient customer reserves. In September 2023, the Bank granted the company a "Smart Specialised, Refined, Differentiated and Innovative Loan" of RMB10 million, effectively addressing its capital requirements for expanding production and operations.

"Special Park Loan"

The Bank offers the "Special Park Loan" as an exclusive medium to long-term credit product for operators of park properties. This product caters to their funding needs for property construction or improvement projects in various types of special parks, including technology parks, industrial parks, and logistics parks.

A certain e-commerce industrial park in Tianjin is a municipal-level key demonstration park approved for establishment by the Tianjin Municipal People's Government. Focused on e-commerce and cultural creativity, the park aims to build an industrial cluster encompassing warehousing and logistics, cloud computing service centres, the third-party payment

platform, creative research and development, processing and manufacturing, service outsourcing and bonded warehouses. It stands as the initial formation of the largest and most comprehensive specialized e-commerce industry base in northern China. Recognised by the government functional departments, the park holds the titles of a "National Torch Characteristic Industry Base" and a "National E-commerce Demonstration Base". The operating unit of the industrial park intends to implement upgrading and renovation works in the park. The Bank has provided a loan of RMB350 million for this unique park project, facilitating the high-quality development of the industrial park.

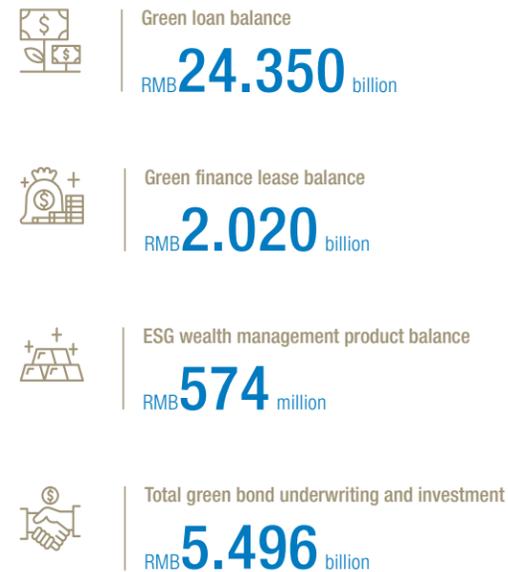
Underwriting the first private science and technology innovation enterprise intellectual property asset-backed notes in Tianjin

In August 2023, "Bank of Tianjin - Dongli Intellectual Property First Tranche Targeted Asset-backed Notes" underwritten by the Bank was successfully issued, totaling RMB45 million with a term of 1 year. This project represents the first private science and technology innovation enterprise intellectual property asset-backed notes in Tianjin. The project supports 8 private science and technology innovation enterprises, including Fujitec, JMT (精美特), Datro Technology, Tianjin Guowei (天津国威), Kaihua Material (凯华材料), Jingdong Chemical (晶东化学), Lonnie Technology (朗尼科技) and others. The project has achieved securitisation financing through 11 invention patents and 42 utility model patents, broadening the financing channels available to private science and technology innovation enterprises.

Green Finance

The Bank has taken "building a green bank" as a key direction of our strategic transformation. We have integrated "deepening professional services in green finance and establishing a green finance product and service system" into the "14th Five-Year Plan" of the Bank. Additionally, we have formulated a specialised green credit development strategic plan to elevate the strategic importance of green finance business of the Bank. We have introduced policy documents supporting the "Green Low-carbon Development Action" service plan, green financial credit policy guidelines and established a list system-based marketing promotion working mechanism. This can guide branches to actively market and expand projects and customer resources in the green industry. Furthermore, we have refined the green financial product system, constructing a comprehensive product system including green loans, green bonds, green leasing and green retail products, systematically working towards achieving green finance strategic goals.

Product Type



Enhancing promotion of marketing

- The Bank collaborated with government functional departments to select projects that meet the criteria for recognition of green finance and carbon emission reduction loan, including the *2023 Tianjin Key Project List*.
- Following the *Green Low-carbon Project List* issued by the People's Bank of China, Tianjin Branch, we promoted green loan business reserve and marketing investment.

Optimising performance appraisal management

- The Bank integrated green loan performance indicators into the appraisal system for operating units, considering four dimensions, including growth rate, percentage, innovation and compliance.
- The Bank made appropriate adjustments to appraisal criteria for percentage indicators based on actual circumstances.

Increasing financial resource allocation

- The Bank provided financial incentives for newly issued green loans by relying on the marketing competition activities in the peak season.
- The Bank formulated supporting reward policies for carbon emission reduction loans and green financial innovative products.

Enhancing employee capabilities

- The Bank organised and participated in several green financial training sessions, distributing the *Compilation of Green Financial Innovation Product Service Cases* to boost innovation awareness and enhance product application skills for operating units and marketing personnel.

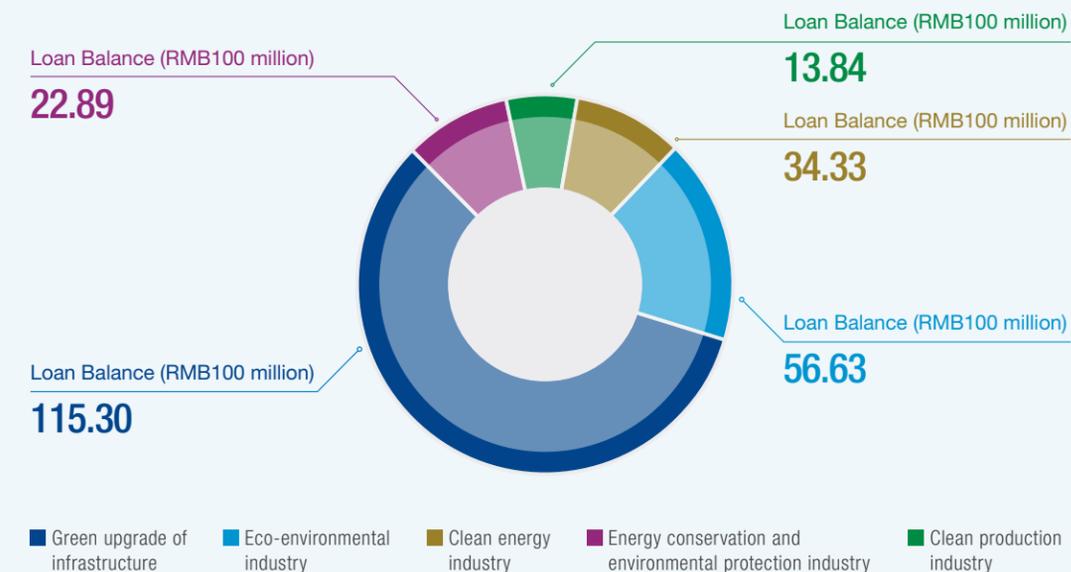
Significant Growth in Green Loan Scale

During the Reporting Period, the Bank intensified innovation and business promotion efforts for green loan products through measures such as enhancing promotion of marketing, optimising performance appraisal management, increasing financial resource allocation and enhancing employee capabilities.

As of the end of the Reporting Period



Top Five Green Loan Investment Areas and Scale Thereof





Innovating guarantee model and issuing the first franchise operation rights revenue pledge loan for charging stations

The issue of charging for new energy vehicles is considered to be the "last mile" in the promotion of new energy vehicles. The *Guiding Opinions on Further Establishing a High-Quality Charging Infrastructure System* issued by the General Office of the State Council, clearly proposes to "make full use of the existing financial support policies and promote pledge financing methods such as project income right and franchises, so as to help achieve carbon peaking and carbon neutrality goals".

In 2023, the Bank introduced an innovative green loan guarantee model. The Bank issued a pledge loan of RMB340 million to a certain new energy company limited in Tianjin for the franchising and income right for charging stations. By revitalising the franchise interest assets of the Company, this innovative approach effectively addresses the financing challenges faced by the company due to the lack of traditional collaterals, empowering new energy enterprises.



Case Study

Establishing a distinctive brand for green bonds

Leveraging the advantages of innovation and flexibility of the financial market, the Bank actively increased efforts in underwriting and investing in green bonds, establishing a distinctive brand for green bonds. During the Reporting Period, the Bank accumulated RMB5.496 billion in green bond underwriting and investment, ranking third among the city commercial banks in China in the list of 2023 City Commercial Bank Green Debt Financing Tool Investors released by the National Association of Financial Market Institutional Investors.



Underwriting the "Conservation and Green Development of the Yangtze River" financial bonds issued by China Development Bank

As the only local corporate bank in Tianjin selected as the underwriter, the Bank assisted China Development Bank in issuing the "Conservation and Green Development of the Yangtze River" financial bonds totaling RMB15 billion with a term of 3 years to global investors, with a lead underwriting amount of RMB300 million. The funds raised will primarily support green projects along the Yangtze River, including urban rail transit projects, sewage treatment and pipeline network projects, water ecological governance projects, rural habitat environment improvement projects, as well as river, lake and wetland protection and restoration projects. The environmental and social benefits are significant, with a green rating of G1, the highest level. It is independently assessed and certified by Lianhe Equator Environmental Impact Assessment Co., Ltd. The relevant projects are expected to achieve an annual reduction of 25,200 tonnes of carbon dioxide, saving 12,000 tonnes of standard coal, reducing 32.74 tonnes of nitrogen oxides and eliminating 28,800 tonnes of water pollutants (COD) upon completion.



Case Study



Diversifying the product system and leveraging the sale-leaseback mode to support sewage treatment

Tianjin Dicheng Sewage Treatment Co., Ltd. (天津地成污水处理有限公司) primarily engages in sewage collection, treatment, and recycling in Baodi District, with a liquidity gap during its operation. Bank of Tianjin Financial Leasing Co., Ltd. ("Bank of Tianjin Financial Leasing") conducted sale-leaseback business using sewage treatment station-related equipment assets as leases, with an amount of RMB60 million and a term of 3 years. The fund was used to revitalize the fixed assets of the enterprise, reduce the occupation of customer funds, supplement the working capital of the enterprise, and enhance the sewage treatment capacity of the enterprise. This initiative has received widespread recognition and high praise from the local government and customers, providing robust financial support for energy-saving and emission reduction enterprises.

Case Study



Underwriting the first green asset-backed commercial paper for 2023 in Tianjin

In March 2023, the "Jinjian International Finance Lease (Tianjin) Co., Ltd. 2023 Jinjian International Finance Lease No. 1 First Tranche Green Targeted Asset-Backed Commercial Paper (ABCP)", underwritten by the Bank, was successfully issued. This transaction marked the first green asset-backed commercial paper (ABCP) in Tianjin in 2023. The issuance amounted to RMB448 million, with a term of 180 days and an interest rate of 3.6%. The underlying assets of the project include green finance lease assets such as biomass cogeneration project equipment, garbage incineration power generation equipment and sewage treatment equipment. This can effectively reduce carbon emissions and energy consumption, contributing positively to economic and social benefits.

Case Study

Environmental Protection Benefits of Green Investment and Financing

Following the guidelines specified in the *Notice on Submitting Green Credit Statistical Forms* as well as the requirements outlined in the *Guidelines for Energy Conservation and Emission Reduction Calculation* and the *Technical Guide for Carbon Accounting of Financial Institutions* among documents, the Bank conducts the measurement and calculation of the environmental benefits associated with green investment and financing. The measurement and calculation is based on approval documents, feasibility study reports, environmental impact assessment approval and environmental impact assessment reports pertaining to some green loan projects and green bond investment projects.

As of the end of the Reporting Period



the balance of the Bank's green loans with accountable environmental protection benefits totaled

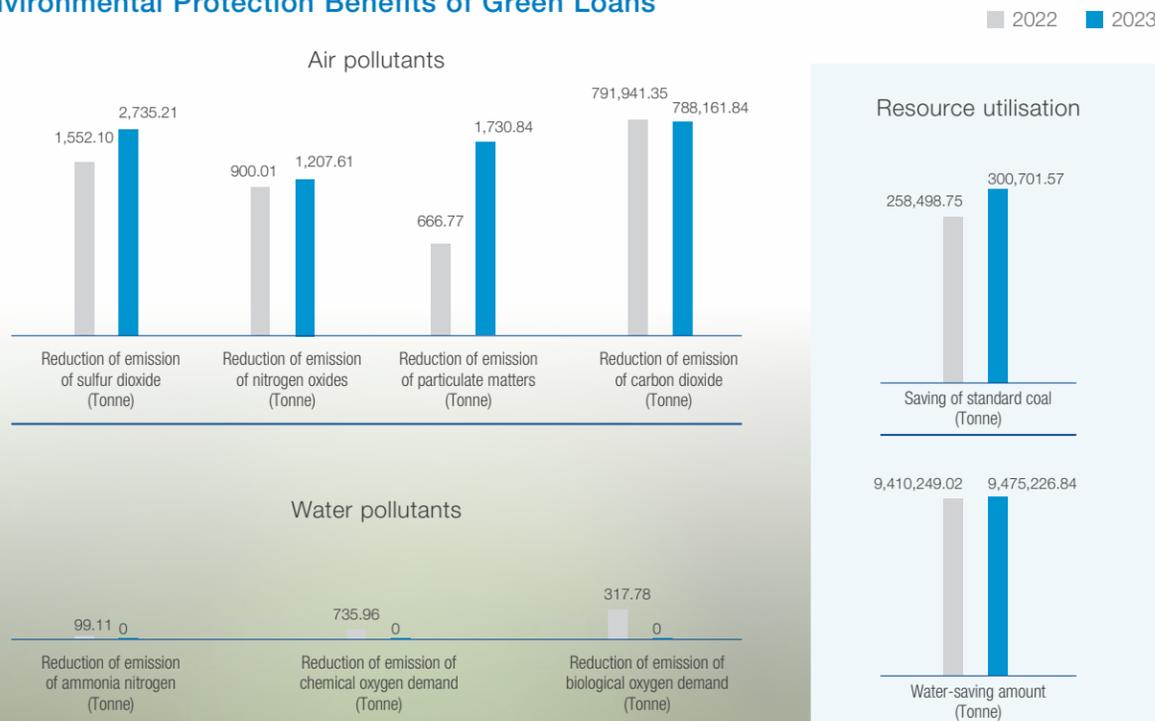
RMB **3.309** billion

accounting for

13.63%

of the balance of the total green loans of the Bank

Environmental Protection Benefits of Green Loans



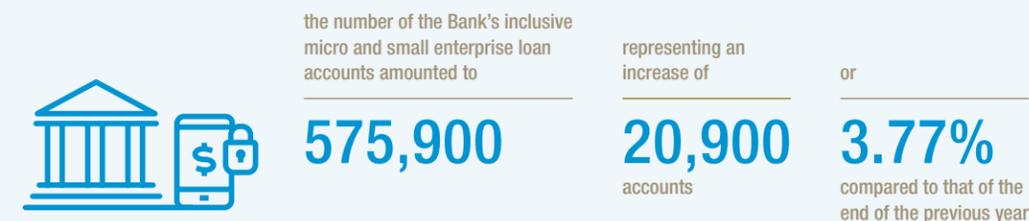
Note: The environmental protection benefits of green loans are measured and calculated as the ratio of loan balance of the Bank to the total project investment balance

Inclusive Finance

Supporting Small and Micro Enterprises

During the Reporting Period, the Bank earnestly implemented the requirements of the *Notice by the General Office of the China Banking and Insurance Regulatory Commission of Further Enhancing of the Quality of Financial Services for Micro and Small Enterprises in 2023* to continuously improve political instance and strengthen responsibility commitment. We made efforts in the aspects such as policy transmission and implementation, innovation in product and service models, capacity and scope expansion, and cost reduction and burden alleviation. Besides, we continued to urge our branches to increase efforts to establish connections between services with micro and small enterprises, aiming to provide more accurate and efficient financial services for micro and small enterprises as well as agriculture-related enterprises.

As of the end of the Reporting Period



The weighted average interest rate for micro and small enterprise loans, using the "two increases" standard, decreased by 0.15 percentage points, compared to that of the end of the previous year.

Deepening the special mechanism for serving micro and small enterprises

- The Bank optimised appraisal by incorporating 10 indicators, including inclusive micro and small enterprise loans, into appraisal linked to the appraisal and employment of branch leadership teams.
- The Bank issued due diligence exemption checklists for small and micro enterprise credit business to guide diligent and responsible employee behaviour.

Promoting the innovative application, and capacity expansion of products of small and micro enterprises

- The Bank actively promoted the development of "e-loans for manufacturing" and the application of "e-enterprise loans for taxpayers" products in the Jinan Branch.
- The Bank further optimised scenarios, processes, and functionalities of products of small and micro enterprises and strengthened the whole process of management to maintain the increase, promote the stock and control risks.

Advancing the planning and construction of the label system of small and micro enterprises

- The Bank innovatively utilised big data-driven marketing methods to shape customer portraits for micro and small enterprises and deeply explored customer value, risk and other data support information to identify niche markets, enhancing marketing accuracy and efficiency.

Efficient implementation of the central financial policy

- During the Reporting Period, a cumulative amount of RMB35.987 billion of loans eligible for the refinancing policy was invested, with a weighted average interest rate of 4.53%, marking a year-on-year decrease of 0.03 percentage points.
- During the Reporting Period, a cumulative volume of rediscounting funds obtained from the People's Bank of China was RMB6.761 billion, with an average financing cost of 1.60% for enterprises, which was 185BP lower than the LPR for the same period, including more than RMB6.211 billion used to support the notes of private, small and micro enterprises.



Bank of Tianjin Financial Leasing increased efforts to support micro financing lease

During the Reporting Period, Bank of Tianjin Financial Leasing Co., Ltd. ("Bank of Tianjin Financial Leasing"), a subsidiary of the Bank, implemented national policies to support small and micro enterprises, promoting the precise and direct access to various financing policies and robustly supporting the high-quality development of small and micro enterprises. As of the end of the Reporting Period, Bank of Tianjin Financial Leasing invested in a total of 27 leasing business for micro, small and private business, with a total amount of RMB1.359 billion and a balance of RMB2.563 billion, accounting for 25.38% of all leasing business.

Tianjin HYL Aviation Science & Technology Co., Ltd., based in Tianjin, independently developed the Airbus A320 full mission simulator, successfully completing the first domestic self-developed simulator in China. However, there was a funding gap during the further promotion of the simulator research and development, and manufacturing process. Bank of Tianjin Financial Leasing has taken the first domestic independently developed Airbus A320 full mission simulator of the enterprise as lease, and provided financial support of RMB25 million through the sale-leaseback mode. This can help the company to continue to research and produce aircraft simulators, better providing simulation flight services for airline pilots to achieve full mission flight hour assessments. This project was successfully selected as one of the second batch of typical cases of leasing companies supporting the development of the real economy in Tianjin from 2022 to 2023.

Supporting Rural Revitalisation

During the Reporting Period, following the spirit of the Central Economic Work Conference and the Central Rural Work Conference, the Bank formulated the *Key Work Plan for Comprehensively Promoting Rural Revitalisation of the Bank of Tianjin Co., Ltd.* to continue to optimise and improve the working mechanism, increase efforts to support key areas and build a comprehensive agriculture-related product and service system, significantly enhancing support for rural revitalization. As of the end of the Reporting Period, the Bank's agricultural-related loan balance amounted to RMB23.389 billion, representing an increase of RMB3.741 billion, or 19.04%, compared to that of the end of the previous year.



Building the "whole village finance" service model

To thoroughly implement the relevant requirements of the rural revitalization policy set forth by the Party Central Committee, Sichuan Office of China Banking Regulatory Commission and the head office, the Chengdu Branch of the Bank communicated with the People's Government of Luodai Town many times to tailor the "whole village finance" service plan. Leveraging the cultural tourism in the ancient town as a platform, the service plan aims to support the People's Government of Luodai Town in upgrading its scenic spots.



In order to improve the quality and efficiency of the "whole village finance" service, the Bank has taken a series of actions. First, the Bank conducted a series of lectures for merchants to deepen their understanding of the use method of products such as "Smart Connect", increasing customers' awareness and mastery of the Bank's products. Second, the Bank improved service granularity by visiting customers daily for account opening and addressing inquiries to solve customer queries, enhancing customer experience. Third, the Bank made a good product matching by providing

accurate product recommendations based on customer business and asset characteristics, effectively improving customer fund availability and reducing financing costs.

As of the end of 2023, the scenic area served a total of 492 customers, with 82 new credit card activations and 414 new wealth management contracted clients.



Optimising and improving the working mechanism

- The Bank added agriculture-related loan growth rate assessment indicators and increased guidance on agriculture-related business based on regulatory requirements.
- The Bank increased efforts to support internal transfer pricing for inclusive agriculture-related loans to improve business enthusiasm.

Increasing efforts to support key areas

- The Bank strengthened financial support for the grain area, underwrote "Spring Plowing and preparations" themed financial bonds and increased the investment of loans in rural infrastructure construction and other areas.

Building a comprehensive agriculture-related product and service system

- The Bank established a comprehensive product and service system, including credit, bond underwriting and investment, factoring, leasing and other businesses.

Upholding the position of supporting agriculture and small enterprises, paving the way for the integration of "agriculture, industry, and cultural tourism"

Ala'er Jinhui Rural Bank Co., Ltd. ("Ala'er Jinhui Rural Bank"), established under the sponsorship of the Bank, has always adhered to the position of supporting agriculture and small enterprises, and played a pivotal role in facilitating local agricultural transformation, upgrading, and development through credit assistance.

As an example, Ala'er Jinhui Rural Bank has established a long-term cooperative relationship with the Jinxiu Jiayuan Fruit and Vegetable Planting Farmers Professional Cooperative (阿拉尔市锦绣家园果蔬种植农民专业合作社) in Ala'er. Since its establishment, Ala'er Jinhui Rural Bank has invested a total of RMB5 million in personal loans to the legal person of the Cooperative to support

the expansion of its production. As of the end of the Reporting Period, the Cooperative has developed from 90 Mu to 230 Mu in area, boasting 72 fruit and vegetable greenhouses. The Cooperative achieved a total output value of RMB25 million for special fruits and vegetables, attracting over 100,000 visitors and driving more than 500 people for common prosperity. Embracing the business philosophy of "transforming production areas into scenic spaces, fields into parks and products into gifts", the Cooperative has developed into a comprehensive green ecological park integrating sightseeing, tourism, picking, and breeding, a representative of Ala'er's new agricultural business entity.



Pension Finance

In recent years, the Bank has been committed to the construction of elder-friendly financial services, contributing to the development of pension finance. During the Reporting Period, the Bank persistently refined offline service standards for elder-friendly finance, optimised online service channels for elder-friendly finance, diversified products for elder-friendly finance services and promoted the publicity of financial knowledge of the elderly. This initiative can help establish "the Harbour", a distinctive brand of pension finance of Bank of Tianjin.



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Refining offline service standards for elder-friendly finance

- As of the Reporting Period, a total of 65 business outlets of the Bank passed the certification on elderly-friendly services.
- The *Service Standards for Operating Units of Bank of Tianjin* was selected into the list of "leaders" in the area of banking business outlets service.

Optimising online service channels for elder-friendly finance

- The Bank developed the caring version of mobile banking featuring larger and clearer fonts, intuitive menus that are easy to find, and more intimate voice services.
- The Bank analyzed the business habits of elderly customers and established a dedicated "Hotline for the Elderly" within the customer service hotline, accurately identifying customers aged 65 and above and routing them directly to human operators to help them answer questions and solve problems.

Diversifying products for elder-friendly finance services

- The Bank launched a variety of stable elder-friendly wealth management products, providing stable returns over the medium to long term.
- The Bank introduced "senior citizen" themed savings certificates to meet the savings needs of the elderly.
- The Bank issued the "Yi Nian Card (怡年卡)", a senior citizen-themed debit card, providing elderly customers with benefits such as fee waivers and a dedicated hotline for elderly services.

Promoting the publicity of financial knowledge of the elderly

- The Bank utilised a variety of online and offline channels to publicise product features, anti-fraud common sense and other pertinent financial knowledge to the elderly.



Bolstering the development of the medical complex in Tianjin, pioneering a new model for healthy living

Case Study

In recent years, the "medicine, health, nutrition" pension model has effectively integrated modern medical service technology with pension security model. This can help achieve innovation in pension with the principles of "treating diseases when they arise, nurturing health when there is none", comprehensively satisfying people's multi-level and diversified health and pension needs. A certain big health city project near Tianjin South Railway Station aims to create an international and regional medical and business centre integrating medical care, pension care, hotels, conferences, exhibitions and commerce, with a

planned total investment of approximately RMB5 billion. Upon completion, the project will become a new landmark for healthy living in North China, providing people around the Beijing-Tianjin-Hebei region with a new innovative pension model. In 2023, the Bank extended a loan limit of RMB500 million with a term of 10 years to support the international big health city development and construction project. This initiative can boost the development of medical complex in Tianjin, elevating the overall level of medical and pension services in Tianjin and further meeting the new demands of residents for healthy living.



Launch of promotional videos on helping the elderly, such as *embracing the sunset and walking hand in hand with Bank of Tianjin*

Focusing on the pain points of the elderly such as the difficulty of using intelligent technology and vulnerability to telecom fraud, the Bank launched a series of thematic videos such as *embracing the sunset and walking hand in hand with Bank of Tianjin* by utilizing the WeChat video channel of the "Customer Service Centre of Bank of Tianjin". Through the presentation of the "storytelling + multi-scenarios" method, we provide explanations of financial products and business knowledge in simple language and in a way that is pleasing to the eyes of the elderly. Through these videos, we also promote awareness of protecting sensitive payment information and preventing online and telecom fraud. As of the end of the Reporting Period, over 20 videos had been released, accumulating nearly 100,000 views, guiding the elderly across the "digital divide" and assisting them in "keeping their wallets".

天津银行客服中心



扫一扫，观看视频



Caring for the elderly with warmth - Chengdu Branch's dedicated efforts in elder-friendly services activities

Case Study

During the Reporting Period, Chengdu Branch of the Bank actively responded to the national call to bolster the capabilities of commercial banks in delivering elder-friendly services, enhancing the quality of elder-friendly services and fulfilling social responsibilities.

- Firstly, Chengdu Branch set a benchmark for elder-friendly service standards to systematically elevate the standard of elder-friendly services in the outlet. Chengdu Branch formulated the *Work Plan for Financial Elder-friendly Services of Chengdu Branch of Bank of Tianjin*. The work plan defines the hard and software standards for elder-friendly services in the outlet and actively implements them in phases and step-by-step manner.
- Secondly, Chengdu Branch extended the reach of financial elder-friendly services to focus on the life scenarios of elderly customers. Chengdu Branch carried out activities covering diet and health, diagnosis and treatment of traditional Chinese medicine, dental checkups and reading recommendations for the elderly. Also, Chengdu Branch organised young volunteers to carry out voluntary services in the community, nursing homes and rural bazaars, delivering warm greetings to the elderly living alone with mobility difficulties.
- Thirdly, Chengdu Branch precisely carried out special activities to promote financial knowledge among the elderly. Chengdu Branch initiated a series of online courses titled "Golden Autumn Lecture (金秋讲堂)" on its WeChat official account. This can help the elderly in avoiding risks associated with illicit financial activities such as fraud, misinformation and illegal fundraising to understand the common sense of the financial business. Additionally, Chengdu Branch organised offline special lectures for the elderly to address queries and popularise knowledge of financial fraud prevention, and information protection.



Digital Finance

Guided by the era's dynamics, challenges, values, and a robust foundation, the Bank adheres to the technology leadership and the concept of digital development to explore the digital finance action plan in the new era with the characteristics of Bank of Tianjin and in line with the characteristics of small and medium-sized banks. During the Reporting Period, the Bank persistently explored the top-level design of digital finance, enhancing and refining the service system of digital finance and promoting the development of digital finance in a deeper and more practical manner.

Making Horizontal Expansion and Vertical Innovation, Creating a Comprehensive Product Solution of "Smart Connect"

During the Reporting Period, the Bank comprehensively upgraded "Smart Xiao Er (智慧小二)", a financial service platform, continuously expanding the coverage of scenarios. In response to market demands, we created a comprehensive product solution of "Smart Connect". This can make digital technology accessible to smart healthcare, smart education, and smart business, contributing financial support to urban development and industrial upgrades, showcasing the commitment of Bank of Tianjin.

Innovating "Smart +" Corporate Business Scenarios

During the Reporting Period, leveraging the "Smart Connect" product brand, the Bank targeted government and public institutions, innovatively developing digital financial products such as "Smart Healthcare Connect (智慧医疗通)" and "Smart Education Connect (智慧教育通)" for industries like healthcare and education. This can assist customers in enhancing management capabilities and service levels.

In-depth exploration of the "intelligent diagnosis and treatment" field, building a medical and healthcare service ecosystem

Over the years, the Bank has continued to consolidate and strengthen comprehensive supporting services for medical and healthcare financial services. We deepened the cooperation between medical services and finance with the health commission, the healthcare security administration and medical institutions at all levels. This has provided technical and financial support for the construction of information technology of hospitals, comprehensively improved the information technology capacity and level of hospitals, helping make the medical services more temperate and the financial services closer to people's livelihoods. The Bank has established an outlet within the Tianjin Third Central Hospital, offering convenient and efficient financial services to patients. Also, the Bank has collaborated with various medical institutions such as the Tianjin Central Hospital of

Gynecology Obstetrics, the Tianjin Hospital, the Second Hospital of Tianjin Medical University, the Tianjin Medical University Dental Hospital, the Tianjin Medical University Chu Hsien-I Memorial Hospital and the Tianjin Heping Old Traditional Chinese Medicine Hospital (和平老中医医院) to carry out the "Smart Healthcare" project. Utilizing online medical mini apps and offline self-service machines as carriers, the project integrates online and offline access to medical services, such as booking registration, payment, enquiry and receipt printing, providing a personal-centred, whole-chain, whole-process intelligent medical and healthcare service ecosystem. This can also effectively address issues such as long time for patients to register, wait for consultation, pick up medication, and short time for medical consultation.



"Smart Healthcare Connect"

- Leveraging the Bank's strengths, we provided comprehensive services for hospitals, including fund management, medical self-service, internet hospitals and intelligent reconciliation, providing convenient services for patients to seek medical treatment.
- We provided exclusive services for medical and nursing personnel in wealth management, deposits, and VIP services at outlets.
- Features: full functionality, high empowerment, strong personality and excellent service.

"Smart Education Connect"

- We provided digital services in various proprietary scenarios in schools according to customer needs, helping realize the online management of academic affairs, teaching facilities and living facilities and providing rich and high-quality smart education application services.
- Features: easier online fee payment, clearer fee management and broader campus services.

Strengthening the Construction of "Smart Merchant Connect" Scenarios

During the Reporting Period, the Bank adhered to the philosophy of "making receipts and payments easier and loans more convenient" to upgrade and create solutions of "Smart Merchant Connect" scenarios. Through the "finance+" comprehensive financial service model, financing for small and micro business entities as well as new urban resident entrepreneurs became more accessible, significantly improving the availability of financial services and raising the level of digital services.

As of the end of the Reporting Period



"Smart Merchant Connect" had
990,800
cooperative merchants

of which
446,100
were in the Tianjin region

with new urban resident merchants
accounted for more than
53%
of the total number of merchants

Increasing credit support

- The Bank launched the "Smart Business Connect • Yongbei (智慧经营通•用呗)" inclusive financial credit product, addressing the problems of "difficult, slow and expensive financing" faced by micro, small and private business, especially new urban residents.
- As of the end of the Reporting Period, "Smart Business Connect • Yongbei" has provided a cumulative total of RMB19.617 billion in credit fund support to 288,500 small and micro market entities, with a first-loan approval rate of 12.39%.

Assisting customers in digital operations

- "Smart Merchant Connect • Business Treasure": Taking the two modules of data encyclopedia and management analysis as the theme, it is dedicated to serving merchants by analyzing data, driving smart business operations with the strength of data.
- "Smart Merchant Connect • Customer Attraction Treasure": Leveraging massive payment data, it targets potential customers and identifies the driving forces behind merchant growth through data and technology empowerment.
- "Smart Merchant Connect • Purchasing Treasure": It provides more stable, reliable and convenient supply chain services for small and micro merchants, creating a direct sales model "from factory to merchant".

Supporting government decision analysis

- The Bank regularly provides government departments with the "Smart Merchant Connect" inclusive small and micro economic operation analysis report of Bank of Tianjin, covering various aspects such as merchant situations, employees, and consumption trends, aiding government decision-making.

Actively Promoting the Construction of Digital RMB

The Bank actively responded to the requirements of the People's Bank of China and the Tianjin Municipal People's Government regarding the pilot application and promotion of digital RMB. We vigorously carried out the construction of innovative digital RMB projects, continuously expanded integrated digital RMB payment scenarios, and strived to build a new ecology for digital financial cooperation, facilitating the continuous and solid implementation of the digital RMB pilot work.

Ensuring effective development of system functions

- The Bank promoted digital RMB function construction for online banking and mobile banking at both personal and corporate customer levels, achieving over 10 functions including account management, deposit and transfer of receipts and payments, and information inquiries.
- The Bank successfully implemented the digital RMB payroll distribution function.

Enriching digital RMB application scenarios

- The Bank used the "Smart Connect" financial service platform to upgrade and transform the acceptance capability of digital RMB by Smart Connect merchants.

Enhancing digital RMB promotion

- The Bank seized opportunities from the large-scale events such as the 7th World Intelligence Congress, Davos Forum, and the Bank of Tianjin•2023 Tianjin Marathon, popularizing knowledge about digital RMB.
- The Bank produced promotional materials and conducted regular publicity online and offline.

Digital RMB Promotion



Achieving Digital Innovation in Supply Chain Finance

In recent years, the Bank has consistently regarded supply chain finance as a crucial means to support the real economy. We have established a supply chain financial system and a "head office, branch and sub-branch" trinity marketing model, expanding financial service coverage based on core enterprises. In 2021, the Bank independently developed and launched the "BOT E-chain", an online supply chain financial service platform, providing online services for supply chain enterprises in the whole process. In July 2023, the Bank's application for "supply chain financing service based on blockchain technology (BOT E-chain)" was approved by regulatory authorities, making it the first commercial bank in Tianjin to be approved as a regulatory pilot for financial technology innovation by the People's Bank of China.

"Supply chain financing service based on blockchain technology", the first banking regulatory sandbox innovation project in Tianjin based on "BOT E-chain"

Case Study

A certain big construction engineering group engages in diverse sectors, encompassing building construction, road engineering, rail transportation and railway engineering. This company annually undertakes a substantial procurement of construction materials like steel and cement, with numerous upstream suppliers located across the country. During the Reporting Period, the Bank, relying on the corporate credit of the group, provided the suppliers of the group across the country with supply chain financing services through "supply chain financing service based on blockchain technology", the first banking regulatory sandbox innovation project in Tianjin based on "BOT E-chain". This can effectively support the national supply chain network of enterprises.

As of the end of the Reporting Period, the Bank has served a total of 31 supplier customers of the group, providing cumulative financing of RMB225 million to the suppliers.

The top portion of the page features a green background with a hand holding a globe. Overlaid on this are several circular icons: a wind turbine, a recycling symbol, a bar chart, a Wi-Fi signal, a gear, and a money bag. The letters 'ESG' are prominently displayed in white, with the 'S' partially overlapping the globe.

ESG

Environmental, Social & Governance

A large circular inset on the left side of the page shows a cityscape at dusk. A prominent Ferris wheel is visible in the background, and a boat is moving across a body of water in the foreground. The scene is reflected in the water.

Environment

Building a Beautiful Landscape Together
with Green as the Cornerstone

-
- ✓ Optimising ESG Risk Management
 - ✓ Deepening Climate Risk Management
 - ✓ Enhancing Green and Low Carbon Operation



Since the 18th National Congress of the Communist Party of China ("CPC"), China has been enhancing ecological civilization, persisting in green development, and promoting the overall green transformation of socioeconomic development. The report to the 20th National Congress of the CPC further stresses that, to promote green development, we should uphold and act on the principle that lucid waters and lush mountains are invaluable assets, and we must remember to maintain harmony between humanity and nature when planning our development. Green has become the defining feature of China in the new era, and green development has become an important strategic objective of China in the middle to long run. The Bank actively responds to national green strategic plan, around "carbon peaking and carbon neutrality" target, practises ESG philosophy, constantly improves green operation & management system, and improves and supports green development quality and efficiency, adding to the splendid picture of green China.

Optimising ESG Risk Management

Improving ESG Risk Management

In 2023, the Bank revised the *Environmental, Social & Governance Risk Management Measures for Credit Business of Bank of Tianjin*, clarifying the credit business ESG risk management process. In credit business management, we practically performed the credit policy guidelines, incorporated "ESG Risk" assessment and analysis into the pre-lending, in-process and after-lending processes, and firmly implemented the "one-vote veto" system for environmental protection and production safety.

System of Environmental, Social and Governance Risk Management

Organisational Management

- The Risk Management Department of the head office takes the lead in carrying out environmental, social and governance risk management;
- The Business Management Department of the head office is responsible for incorporating environmental, social and governance risk management into product development and business processes;
- The Credit Management Department of the head office is responsible for tightening the system and process management of credit review;
- Other head office departments cooperate with environmental, social and governance risk management within the scope of their duties;
- The branches are responsible for the screening, collection, sorting and reporting of environmental, social and governance risk information, and perform in customer due diligence and post-loan management effectively.

Customer classification management

- According to the environmental, social and governance risks faced by customers, the classification standards are formulated, including three levels: A, B and C.

Process management

- Due diligence: We incorporate customers' environmental, social and governance risks into pre-credit due diligence and classify customers on this basis;
- Credit business review: We review and determine the customer's environmental, social and governance risks, and provide credit review opinions;
- Credit business approval: The Bank establishes differentiated credit granting procedures and authorities according to the environmental, social and governance risk categories of customers;
- Contract management: We urge customers to tighten up environmental, social and governance risk management by improving contract terms;
- Funds disbursement management: The customers' management of environmental, social and governance risks is an important basis for deciding on the disbursement of credit funds;
- Post-loan management: We incorporate customer environmental, social and governance risk management into the post-loan management process through information collection, identification, classification and dynamic analysis.

At the same time, the Bank incorporated the credit granting policy guidelines for industries with significant environmental, social and governance risks into the *Credit Granting Policy Guidelines of Bank of Tianjin for 2023*, clarifying the credit granting focus factors, strengthening risk exposure management, clarifying risk control measures, and establishing a business ledger for significant environmental, social and governance risks.

As of the end of the Reporting Period



there were **10** clients

totally in the significant environmental, social and governance risk list of the Bank



involving the credit balance of **RMB 1.546** billion

Strengthening the Credit Granting Audit for the Industries with "High Energy Consumption, High Pollution and Overcapacity"

In 2023, the Bank strengthened the audit and management on the credit granting for the industries with "high energy consumption, high pollution and overcapacity", strictly forbade intervention in non-compliant projects and enterprises that would be seriously detrimental to the long-term healthy development of the environment and the society, supported the merger & acquisition, reorganisation, transformation and upgrading of traditional industries in the principle of differential management, refused "one-size-fits-all" approach to high quality enterprises in the industries with overcapacity, and rationally and effectively allocated credit resources, enabling service industry restructuring and economic transformation & upgrading. As of the end of the Reporting Period, the credit balance of the Bank for the industries with "high energy consumption, high pollution and overcapacity" reached RMB2.958 billion at a nonperforming loan ratio of 0.

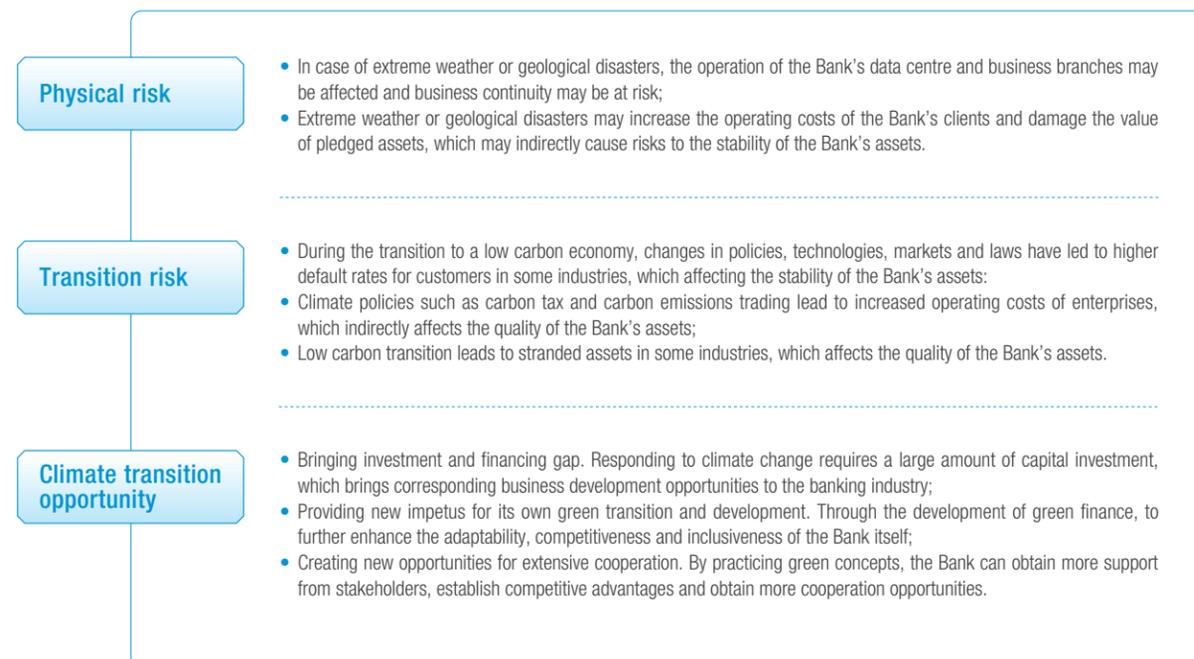
Continuing Green Credit Audit

According to the requirements of the *Circular of the China Banking and Insurance Regulatory Commission on Issuing the Green Finance Guidelines for the Banking and Insurance Industry*, among other regulatory documents, the Bank has incorporated the green credit business operations into annual audit inspection. Around green credit business organisational structure and institutional construction, management measures and business expansion, we focus on key fields and processes, to form annual audit report. We follow up the rectification of problems identified during the audit and urge the audited entity to enhance problem rectification, continuously perfecting the soundness and effectiveness of green credit business internal control system.

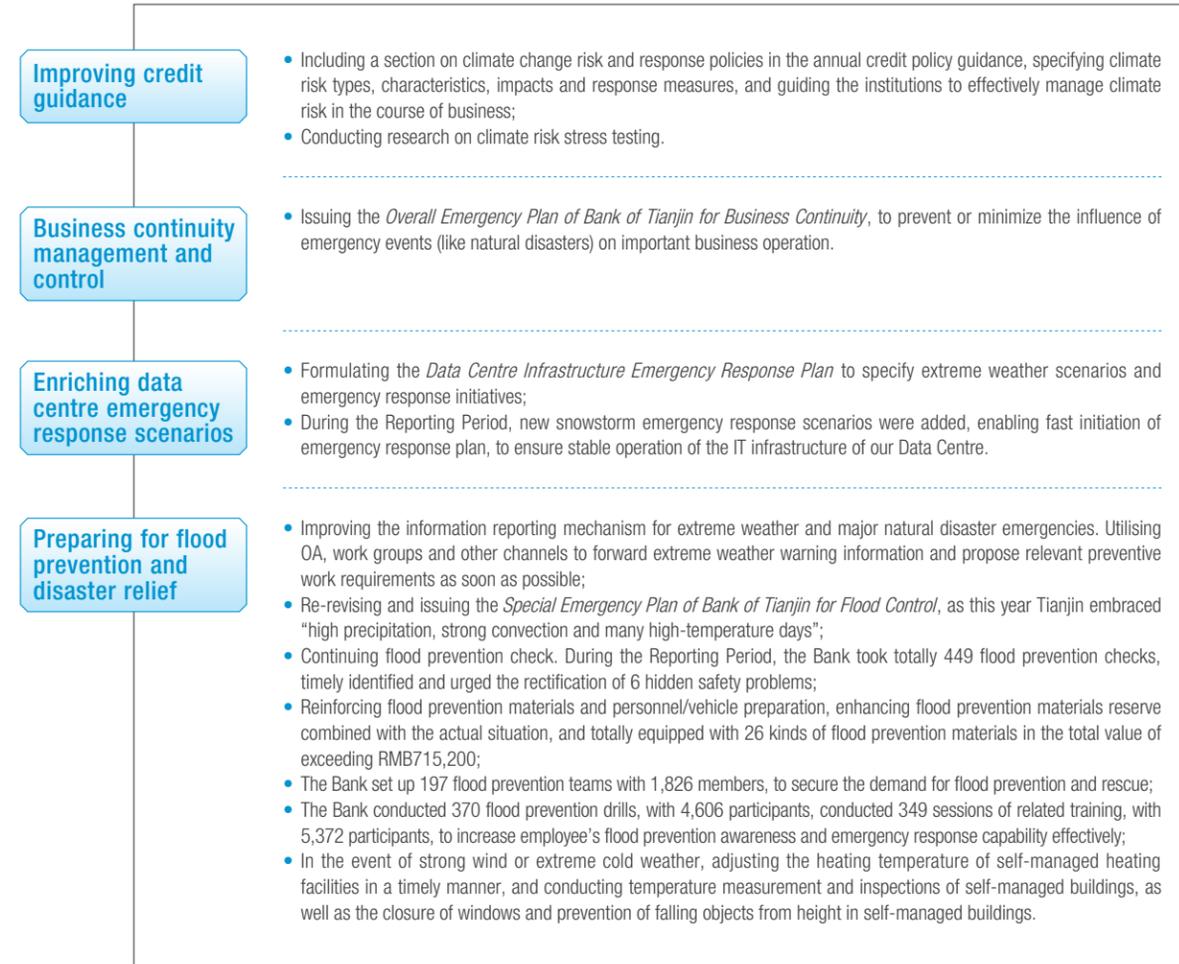
Deepening Climate Risk Management

The Bank pays high attention to climate risks, and develops a series of systems and measures in response to climate change. On one hand, we continue to perfect our own climate risk management mode and methods, and on the other hand, we include climate risk into credit granting guidelines, and actively explore climate risk stress testing, to increase our capability in response to climate change continuously.

Climate Risk and Opportunity Identification



Responding to Climate Risk



Exploring frontier topics on climate change response

Case Study

In June 2023, the topic *Promoting Climate Readiness for Small and Medium-Sized Banks in the Beijing-Tianjin-Hebei Region* submitted by the Bank was selected as one of the projects for the year 2023 under the knowledge cooperation and technical assistance initiative promoted by China and Asian Development Bank. Through the implementation of this project, the Bank will effectively improve our own climate change response capability and level, striving for industry comparative advantages in climate risk management, disclosure and transitional financial development. Meanwhile, the Bank will provide theoretical and practical reference for regional policy and

standard setting, with good demonstrative effects. In addition, this year, the Bank completed the fourth batch of key research topics of Tianjin Financial Association *Construction of Climate Risk Stress Testing Model for Commercial Banks*, offering suggestions to regulators and commercial banks in four aspects, including the establishment of industrial standard methodology and database, the extensive practice and exploration within industry scope, the enhancement of climate risk governance system construction and talents training and the transformation of climate risk stress testing outcome.

Efficient application of carbon emission reduction tools to promote steel industry in response to climate transition

In January 2023, the Bank became a financial institution supporting the PBOC carbon emission reduction initiative. In March 2023, the Bank granted the first tranche of carbon emission reduction loan to a certain steel group company limited in Tianjin for its capacity replacement, upgrading and reconstruction project, with a loan interest rate lower than the market rate quoted for the same tenor. Upon preliminary estimation, after the completion, the project would save 156,700 tonnes of standard coal per year in terms of overall energy consumption, and save CO₂ 346,300 tonnes per year, providing financial supports for accelerating the green low-carbon shift and development of steel industry.

As of the end of the Reporting Period



the Bank had
67 clients
totally in key industries
relating to climate change



involving the credit balance of
RMB 6.064 billion
representing a year-on-year decrease of
0.34%

Enhancing Green and Low Carbon Operation

The Bank strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China* and other laws and regulations, strives to reduce the impact of its own operations on the environment, and makes efforts to integrate low carbon and environmental protection into the Bank's operation and management. The Bank has continued to implement the *Measures for the Management of Motor Vehicles of Bank of Tianjin*, and other systems to regulate the use of energy and waste disposal. During the Reporting Period, there was no litigation resulting from environmental problem.

Improving Low Carbon Operation Service

Continuing expansion of super smart teller machine retail business function

- As of the end of the Reporting Period, the Bank completed and put into operation 15 smart teller machines, optimised more than 50 business functions, added 10 special retail transactions, and cumulatively realised 177 retail business functions, with utilisation ratio of smart devices reaching 73.24%.

New stage of corporate super smart teller machine construction

- Realising corporate wire transfer, receipt card signing and issuing, public provident fund contracting, public provident fund query, public provident fund change and other OTC high frequency corporate transaction shifting to corporate smart teller machines.
- Promoting the use of corporate smart teller machine, and as of the end of the Reporting Period, totally 7 pilot banks were equipped with corporate smart teller machines.

Continuing promotion of OTC business paperless construction

- Optimising 38 OTC transactions, achieving filling-free instruments for 63 scenarios. As of the end of the Reporting Period, the Bank generated 1,070,200 filling-free transactions, with OTC paperless business coverage ratio above 95%.

Expanding online operation scenario, continuing creation of cloud business office

In recent years, the Bank has made full use of bio-identification, big data analysis and other technology-enabled means to establish connections between customers and remote seats through online video appointments with mobile banking services, shifting more offline outlet businesses to online businesses and realising one-stop processing of more than 20 remote video business scenarios like individual customer information change and personal true wish verification. This initiative covers mobile banking, smart teller machine, mobile exhibition PAD among other multi-channel business cooperation, which effectively solved the pain point of the "last mile" in customer service. In particular, in order to further improve wealth management customer's experience, the Bank launched the "wealth management risk assessment" business online, expanding traditional outlet business to mobile self-service devices, enabling customer identity and true wish verification during the business processing. As of the end of the Reporting Period, the Bank cumulatively processed with 34,900 businesses, that is, more than 500 per day, creatively opening the new model of our retail business remote service.



Practising Green Office

During the Reporting Period, the Bank created a new generation of integrated office platform "Smart OA" platform featuring "convergence, accessibility, accuracy, efficiency, convenience, security". This platform additionally integrates the event approval functions like work group creation/approval removal, smart business travel and others. Meanwhile data knowledge exhibition modules like digital banking, credit approval progress, and learning and growth are added, to further improve the paperless office coverage scope.

Meanwhile, the Bank developed a set of new generation video conference system – ViLin (云视讯) video conference system covering the Bank comprehensively, to meet the all-scenario requirements of the Bank for "meeting room and mobile terminal office".

As of the end of the Reporting Period, the Bank held 1,155 video conferences through ViLin system, for a cumulative duration of 3,866 hours, with 632 participants at most concurrently. The Bank had totally 2,455 participants of video meetings through software/hardware terminals, which had greatly saved the costs of various meetings.

Operational Statements Online Construction

To improve operational decision-making efficiency, and promote paperless operation and management, the Bank constructed a standardised online statement system, making true the visualisation and penetrating management. With business and financial data as the core, the system penetrates downward from the dimensions of lines, institutions, and products. Around the management team's requirements for operational data, the Bank could develop all levels of statements separately on a regular basis, and develop a set of daily, weekly, monthly, quarterly, and yearly management decision-making report system, to achieve the objective of one set of statements for one entire bank and one set of statements reflecting the entire bank.

Meanwhile, backed by data control platform, the Bank realised online management of data assets, and visualised data assets through data assets catalogue + retrieval service. Based on "Smart OA" platform, the Bank established management-oriented "Digital Banking (数看天行)" operational statement, and totally completed 16 modules, like operational overview, interest rate board and tough battle special zone, including over 1,000 operational indicators, to display the Bank's operating conditions in multiple dimensions.



Promoting Green Procurement

The Bank has formulated the *Measures for Procurement Management of Bank of Tianjin* in accordance with the *Bidding and Tendering Law of the People's Republic of China* and other laws and regulations, to effectively regulate the procurement and management of suppliers. The Bank practiced the ESG concept through strict control over access conditions and encouragement of green procurement.

Strict access control to prevent and control supply chain risk

- For procurement activities, it is required that the suppliers should, in principle, not be threatened against by major tax violation cases, not be listed as dishonest persons subject to enforcement, not be included in the list of record serious illegal and untrustworthy acts in government procurement, and have no records of being seriously illegal in various business activities and no environmental and labour violations occurred in the past three years.
- Cooperating with professional third-party bidding agencies to establish a procedure-based and standardised procurement process.

Encouraging green procurement

- In the *Measures for Procurement Management of Bank of Tianjin*, it is clearly stipulated that priority should be given to energy-saving products procurement under the same conditions.
- Before bidding for A-grade procurement projects, the procurement pre-qualification team is organised to discuss whether it is appropriate to add scoring items on environmental protection in the scoring table for A-grade procurement projects, and if appropriate, relevant evaluation and review contents will be added in the scoring table set out in the bidding documents.
- Procuring green environmental-friendly office furniture, office equipment and other goods, to reduce pollution to environment.

Procurements by Suppliers during the Reporting Period



Implementing Energy Conservation and Emission Reduction

During the construction of business place/workplace project, the Bank persists in refined management philosophy, advocates the application of advanced technology, advanced equipment, state-of-the-art processes and new building materials, and builds up green environmental-friendly mindset. Also, the Bank realises active energy conservation with optimised equipment system design and efficient equipment option and realises behaviour energy conservation with artificial setting or intelligent technology to enable the energy consumption system to develop into green and energy conservation direction, facilitating continuing development.

Optimising the operating mechanism and promoting data centre room energy conservation and emission reduction

In terms of room lighting and cooling, the Bank takes various measures to effectively reduce data centre power consumption intensity and realise energy conservation and emission reduction.

Wuqing Data Centre Unmanned Room Zone closes lighting lamps in time, and only opens the lamps when the operation and maintenance personnel are inspecting the room, while closing them immediately after the personnel leave. Every year, the data centre may save electricity about 69,350 kWh.

In Wuqing Data Centre Room, the actual load power of chiller unit of refrigeration equipment is approximately 82 kW, resulting in significant power consumption. When the outdoor temperature is low, the operation and management personnel shifts the cooling mode from chiller unit to zero-power-consuming plate heat exchangers, which utilizes outdoor low temperatures for cooling. This cooling mode is active for approximately 120 days each year, leading to an annual energy savings of about 236,160 kWh.

Environmental Targets and Performance

The Bank strives to achieve carbon neutrality at the Bank-wide operational level, actively promote the refined management of energy and resource use and greenhouse gas emissions in its own operations, and continuously promote carbon emission reduction actions such as green and low-carbon offices, energy-saving and emission reduction transformation, and clean energy use, so as to minimise the negative impact of the Company's operations on the environment and climate. During the Reporting Period, we strengthened waste management. We procured professional suppliers to dispose of kitchen waste, selected professionally qualified recycling companies to dispose of toner cartridges and ink cartridges, and disposed of obsolete IT equipment that had reached end-of-life after technical appraisal in accordance with national requirements, effectively promoting resource utilisation and preventing environmental pollution caused by waste.

Through optimizing equipment system design, we select energy-saving and efficient electrical and drainage equipment, as well as sanitary wares with first-class water efficiency, to reduce energy consumption as a whole. Every year, the Bank takes regular carbon inventory, perfects data collection and statistics process. According to annual information disclosure & data collection standards, we quarterly collect bank-wide basic data about water, power and other energy, to provide data supports for calculating total greenhouse gas emission, total hazardous/non-hazardous waste discharge and density data.

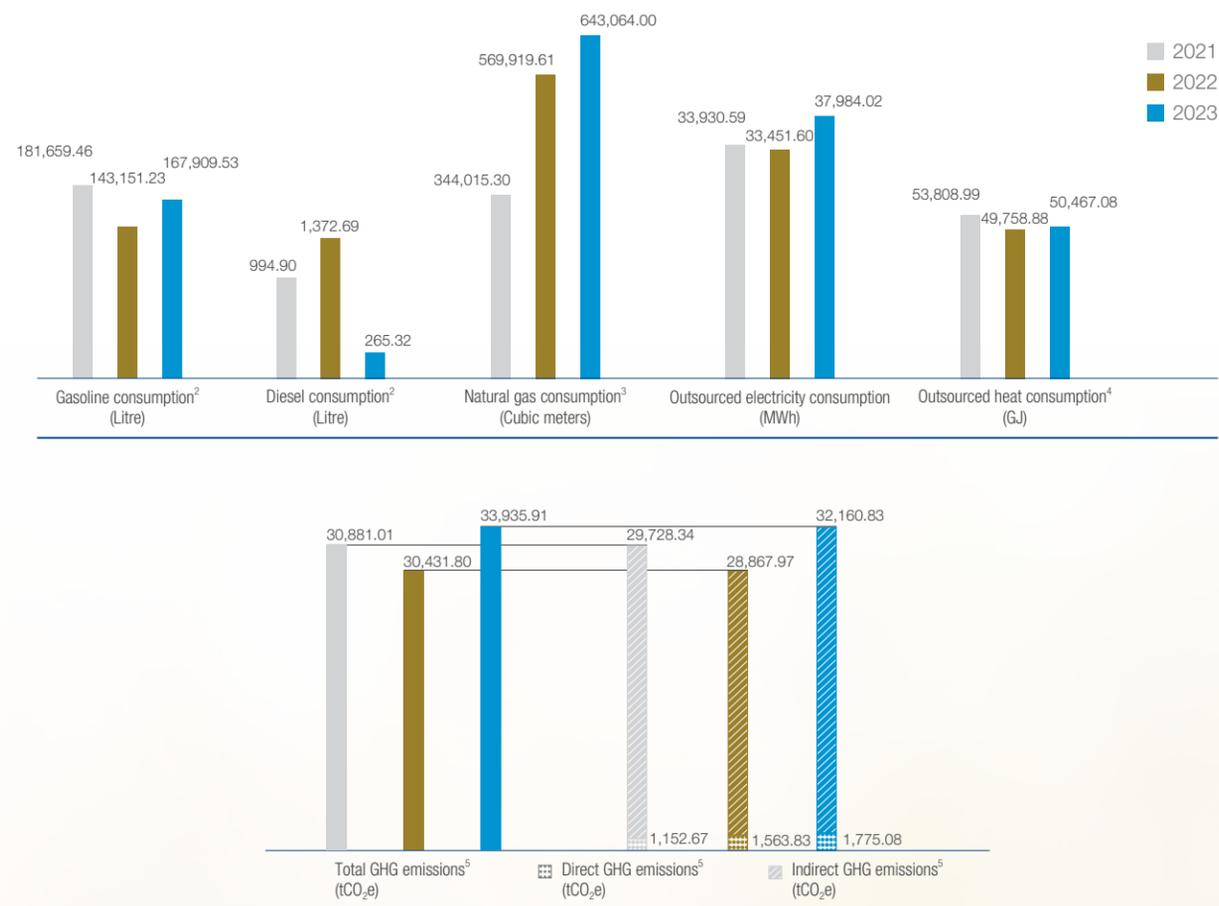
In accordance with the requirements of the *Environmental, Social and Governance Reporting Guide* of the Hong Kong Stock Exchange, the Bank strictly performs the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China* and other laws and regulations. The Bank strives to integrate low carbon environmental protection philosophy into the Company's operation and management, builds up green environmental-friendly management mindset, creates green healthy working environment, and pushes forward high quality development, contributing to the carbon peaking goal of China.



Energy Consumption and Emissions Data

The Bank's energy resource use mainly comes from the use of gasoline for business vehicles, outsourced heat for heat supply and daily use of electricity and paper. The main emissions include greenhouse gases generated due to energy consumption and office consumables and household waste.

Indicator¹



Notes:

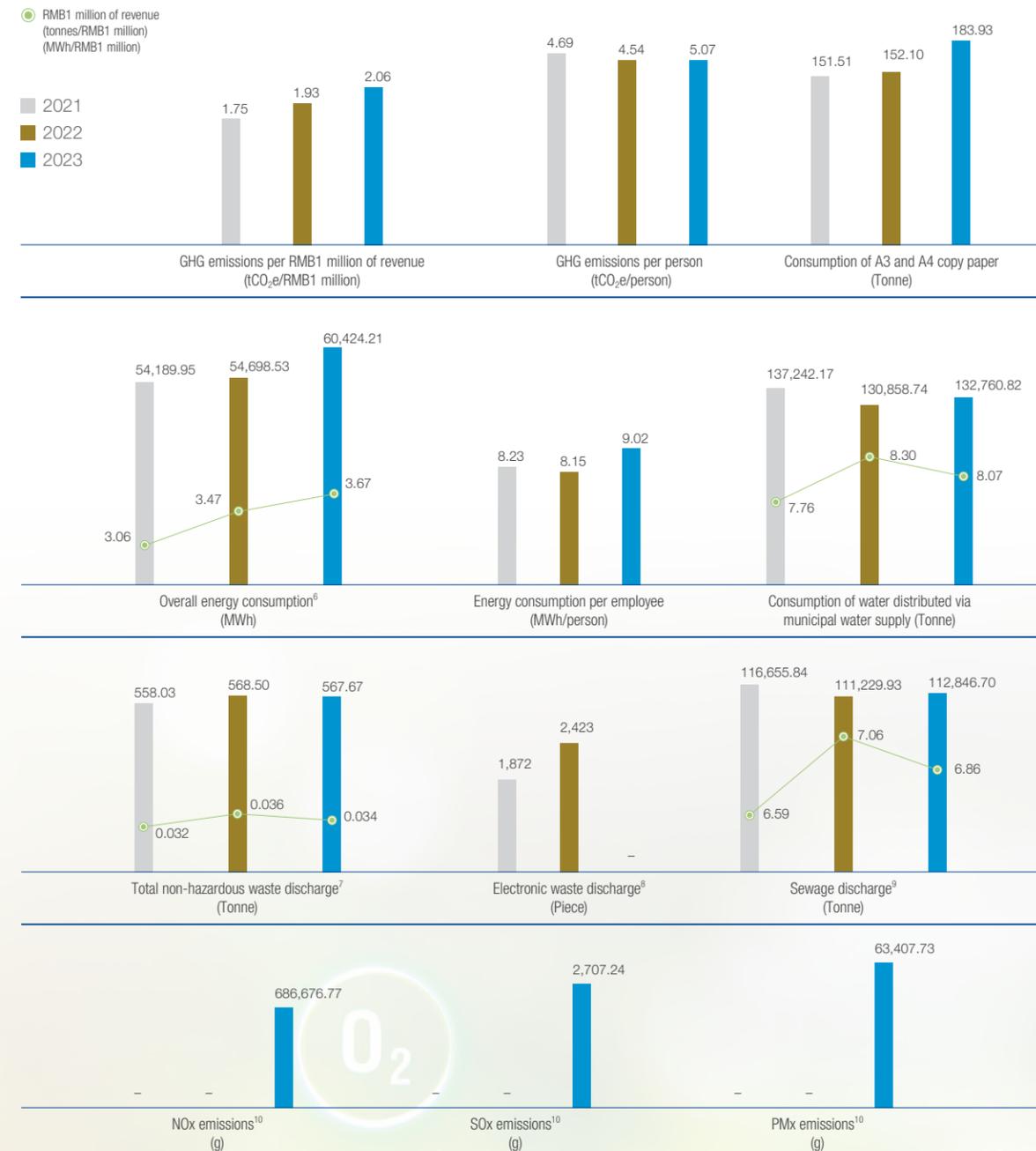
¹ Unless otherwise specified, environment-related statistics contained herein cover the Bank's head office, branches, subsidiaries and affiliates.

² Gasoline consumption refers to the amount of gasoline consumed by vehicles owned by the Bank.

³ Natural gas consumption primarily refers to that incurred from the use of supporting facilities such as natural gas fired heating boilers and cookers at the canteens.

⁴ With respect to the method for calculating outsourced heat for 2023, reference was made to the *Energy and Water Statistical Report System (November 2020)* formulated by the National Bureau of Statistics and supplemented and printed by the Beijing Municipal Bureau of Statistics. The statistics herein cover the Bank's head office, branches, subsidiaries and affiliates that paid heating charges to heat suppliers.

⁵ GHGs mainly include carbon dioxide, methane and nitrous oxide, and our GHG emissions mainly come from the use of outsourced electricity, outsourced heat, natural gas, gasoline and diesel. With respect to the method for calculating GHG emissions, reference was made to *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard 2012 (Revised Edition)* issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and the *Fifth Assessment Report* issued by the Intergovernmental Panel on Climate Change (IPCC). With respect to the grid emission factor adopted in the calculation of scope 2 emissions, reference was made to the China regional grid emission factor (2019) newly-released by the Department of Climate Change of the Ministry of Ecology and Environment.



⁶ The overall energy consumption mainly refers to the use of outsourced electricity, outsourced heat, natural gas, gasoline and diesel, and with respect to the energy conversion coefficients, reference was made to the *General Rules for Calculation of Overall Energy Consumption* (GB/T 2589-2008).

⁷ Non-hazardous waste herein refers to domestic waste produced in office operations only. With respect to the method for calculating the total amount of domestic waste produced in office operations, reference was made to the *Handbook of Urban Domestic Source Pollutant Production and Discharge Coefficient for the First National Pollution Source Census* issued by the State Council.

⁸ During the Reporting Period, the Bank further strengthened the management of electronic waste obsoleted during daily office operations, such as computers (host machines), monitors, servers, notebook computers and printers. We completed the assessment of the value of the obsolete electronic devices, selected a recycling company, and planned to complete the disposal of obsolete electronic equipment by April 2024.

⁹ With respect to the method for calculating sewage discharge, reference was made to GB 50318-2017 *National Standard Urban Drainage Project Planning Code of the People's Republic of China* issued by the Ministry of Housing and Urban Rural Development.

¹⁰ The data is derived from the Bank's official vehicle emissions and is calculated in accordance with the *Reporting Guidance on Environmental KPIs* issued by the Hong Kong Stock Exchange. This calculation has been conducted since the beginning of the Reporting Period.

¹¹ Packaging material data does not apply to the Bank.



Society

Prioritising People for the Collective
Construction of a Harmonious Society

- ✔ Enhancing Customer Experience with Sincerity
- ✔ Safeguarding Consumers' Interests through Secure Practices
- ✔ Offering Love to Convey Financial Warmth
- ✔ Infusing Care for Nurturing Employee Growth

People's livelihood is the foundation of people's happiness and social harmony. The Party Central Committee with Comrade Xi Jinping at its core insists on people-centred orientation, and pays high attention to security and improvement of people's livelihood. Such human-based philosophy penetrates the Bank in our service for customers, care for employees, striving for people's benefits and high quality life, meeting people's multi-level, diversified demands, and persistence in contribution to social charity and return to the society.

Enhancing Customer Experience with Sincerity

To carry out the operational strategy of "prioritising business in Tianjin while optimising business in other areas", the Bank better optimises the customer group operating service system, builds the customer-centred comprehensive service model, and on the basis of existing product series, resource endowment, forms special service programs oriented to all kinds of customer groups.

Creating "New Citizen Harbour" Service Brand to Offer Warmer Service

To increase new citizens' sense of gains and happiness, starting from actual demands and service for new citizens, the Bank creates "New Citizen Harbour" service brand at business outlets within our jurisdiction, to meet new citizens' service requirements, and practically perform social responsibilities. Starting from new citizen's residence, consumption, entrepreneurship, employment, personal wealth management and other demands to be satisfied, the Bank provides a dedicated financial service system including heart-warming harbour "On Your Side" and social security "Enjoying Convenience", to fully increase the accessibility and convenience of financial services to new citizens. Meanwhile, the Bank sets up convenience service zones at outlets within our jurisdiction, providing new citizens and social public with temporary rest (i.e. rest seats, disinfectants, paper towels, and water dispensers), meal heating (i.e. microwave stoves), emergency charging (i.e. power outlets), emergency medicines (i.e. emergency medicine kits), emergency rain gear (i.e. umbrellas, raincoats), writing tools (i.e. sticky notes, pens), heatstroke prevention and temperature reduction (i.e. fans, mosquito repellent liquid, wind oil essence, Huoxiang Zhengqi Oral Liquid) and other services.



The Bank worked with Tianjin Federation of Trade Unions, Tianjin Social Security Fund Management Centre to hold "Happy Tianjin with You" New Employment Form Workers Social Security Card Issuing & Collective Joining Ceremony

In the afternoon of 12 June 2023, the Bank worked with Tianjin Federation of Trade Unions, Tianjin Social Security Fund Management Centre to hold "Happy Tianjin with You" New Employment Form Workers Social Security Card Issuing & Collective Joining Ceremony. Through this event, the Bank reached strategic cooperation with leading businesses in express delivery, ride-hailing, housekeeping, security, fresh e-commerce, and catering among other industries, to provide social security, medicare, trade unions, financial and other integrated services for new citizens. Meanwhile, the Bank actively organised our branches to "pair" with every industry-leading enterprise to form the network-based service mode and erect the bridge of cooperation.



Promoting Digital Construction, Making Service More Convenient

To improve operational analysis and intelligent operational capability, and realise the closed loop of mobile banking digital operation, the Bank initiated the mobile banking digital operating platform project in 2023. The Bank created a customer behavioural knowledge library, erected user behavioural analysis system, deeply tapping the application values of customer behaviours with the help of a number of analytical models. The Bank applied the scenario consulting capability to expand data-driven practical theme, covered the full life cycle operation of customers, and increased user experience by product design and business process optimisation.

Personal Mobile Banking Construction

Mobile banking with more functions and more convenient operation

Around the core objective of "enhancing user experience", the Bank developed the *Project about New Generation Mobile Portal Basic Function Experience Optimisation*, and made multiple optimisation of functions like password-free transfer between the same holder's accounts, TDCP automatic renewal, micro-banking account movement popup reminders, login/registration floating window, to strive for touch operation, creating a "concise yet not simple" mobile citizen bank.

Saving products with clearer features for a more worry-free shopping experience

In order to highlight our characteristic saving product advantage, the Bank redesigned the smart saving page layout, and optimised purchase process, to attract public rational smart savings and proper wealth management through both "visual stimulation" and "buying operation".

More specialized fund product design for a more secure investment

The Bank introduced professional fund data service provider, to realise package upgrading of over ten functional modules like fund net value analysis, fund comparison, and realise mobile banking first initial fund product sales, offering strong support to fund product sales.

Simple and easy-to-read care version with smart assistance for greater convenience

Caring elderly customers, the Bank reshaped page and process, enlarged the font icon, refined the page layout. This can intuitively display the functions elderly customers are concerned about, replace login by password with login by face or gesture, and help broadcast key pages with voice assistance, eradicating the obstacles for elderly customers to read complicated pages. Through the changes in details, we have greatly improved the digital financial service experience of elderly customers, so that elderly customer could practically experience the intelligence and convenience of our mobile banking.

Corporate Mobile Banking Construction

To improve the replacement role of mobile finance and erect all-channel service system, the Bank constructed corporate mobile banking, to satisfy corporate customers' mobile financial requirements in 2023. Currently, our corporate mobile banking included public service, such as account management, mobile authority etc., and account movement functions, such as transfer, financial management, investment/wealth management etc., as well as overall management functions, such as contract management, customer service, to add multiple business processing options for customers.

Corporate mobile banking is the first corporate customer-oriented mobile financial service of the Bank, which has improved electronic channel system functions, perfected business product structure, expanded online financial service scope, realised corporate-personal business cross linkage, and further improved user experience.

Promoting Smart Customer Service Construction

- The Bank launched full-voice navigation system, where by "speaking" out its demand, a customer can quickly get required information and service, offering customer with multi-scenario, full-process "voice touch" brand new service experience. As of the end of the Reporting Period, the voice robot's ASR/NLU accuracy was larger than 95%, scenario coverage ratio reached 94%, smart voice solution ratio reached 79%, and full year customer service volume reached nearly one million.
- The Bank upgraded text robot, extensively erecting service entrance at mobile banking, WeChat, official website and other mainstream channels, adding graphic, table and other multiple form, multiple perspective answer layout, to satisfy customer's diversified financial demands in all respects. As of the end of the Reporting Period, the text robot's NLU accuracy reached 95%, scenario coverage ratio was higher than 95%, and service volume reached over 237,800 calls, service diversion ratio reached 81.43%.

Upgrading Branches Construction, Making Service More Touching

Created "Banking Police Station" service zone

Within the service zone, there are multiple service functions, like temporary rest, meal heating, rapid charging, medicine emergency, heatstroke prevention and temperature reduction, simple apparatus application etc., to maximally meet ordinary demands, and practically let police officers feel the warmth care from the Bank of Tianjin.

Self-service devices upgraded care mode

The Bank analysed the common high frequency transactions of elderly customers aged 60 or above. The Bank added password modification, password replacement, integrated contract, customer information change, transfer among other 7 transactions under the smart teller machine care mode, offering convenient conditions for elder customers to operate smart devices by adjusting page layout, deepen background colour, enlarge font size, add voice reminders among other measures.

"Banking Police Station" service zone



Branches upgrading



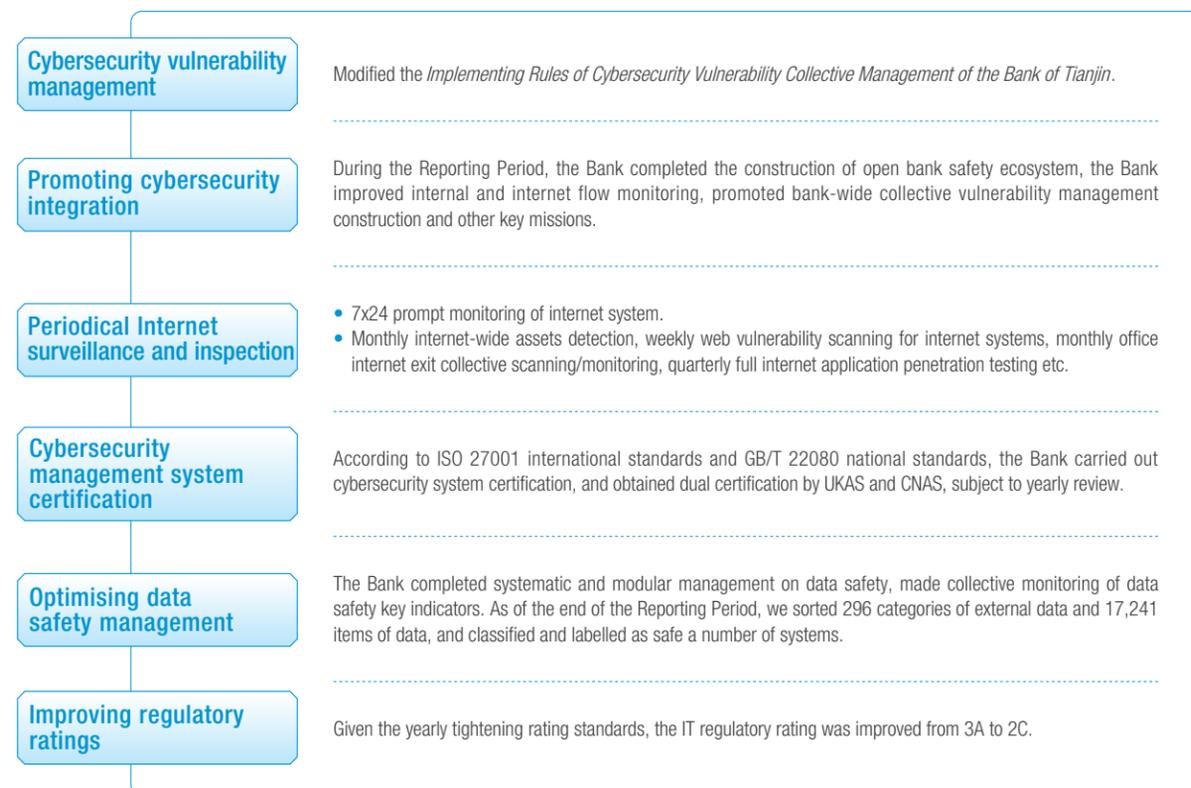
Safeguarding Consumers' Interests through Secure Practices

The Bank attaches great importance to the protection of consumer rights and interests and strictly complies with the requirements of the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *Measures for the Administration of Consumer Rights and Interests Protection of Banking and Insurance Institutions*, and other relevant laws and regulations. Around the *Strategic Planning for Consumer Rights and Interests Protection Work of Bank of Tianjin Co., Ltd. (2021-2025)*, the Bank developed the implementation plan of consumer rights and interests protection work in 2023, and modified the *Implementation Measures of Bank of Tianjin for Protecting Consumer Rights and Interests*, the *Administrative Measures for the Review and Administration of the Protection of the Rights and Interests of Financial Consumers of the Bank of Tianjin*, and other systems. The Bank makes efforts to drive, carry out consumer protection and practically conserve financial consumer's legal interests and benefits by improving consumer protection mechanism, perfecting evaluation and examination mechanism, strengthening process control, enhancing complaint tracing management, innovating publicity education patterns, increasing service quality, increasing training frequency and others.

Financial Cyber Security and Data Safety

Around the *Cybersecurity Law of the People's Republic of China*, referring to the *Guidelines on the Information Technology Risk Management of Commercial Banks*, among other regulatory requirements, as well as cybersecurity classified protection, the *General Specification of Information Security for Internet Banking System*, ISO27001 and other international, national, industrial standards, the Bank has developed the *Cyber Security Management Methods of Bank of Tianjin*, and other more than 30 implementing rules; introduced professional data safety service providers, explored and constructed the data safety management system compliant with national strategic development direction and meeting regulatory requirements, through interpretation of legal and regulatory policies, benchmark against peer practice cases, safety management status quo evaluation and other measures, to continuously erect safe financial environment and protect consumer's privacy and data security.

During the Reporting Period, the Bank did not have any confirmed cases of violation of customers' privacy or loss of customers' data.



"Financial Consumer's Rights & Benefits Protection Education & Awareness Month" Program

In September 2023, the Bank held the "Financial Consumer's Rights & Benefits Protection Education & Awareness Month" program full promotion ceremony. This program called on the entire bank to take this opportunity to make full play of the unique advantage of the Bank of Tianjin as a local corporate entity and jointly promote this education and awareness month program by national linkage, and continued deepening the systemisation, continuation, normalisation of consumer protection in the Bank of Tianjin. Upon the ceremony, the Bank held financial literacy campaign synchronously, inviting over 40 existing and new customers to attend in person, innovating financial literacy manner, generalising financial knowledge in the performance of Chinese traditional plays, to help customers prevent illegal financial infringements and enhance their financial safety awareness.



During the Awareness Month, the Bank, as the lead unit, worked with 11 financial institutions, to hold the 2023 "Financial Consumer's Interests & Benefits Protection Education & Awareness Month" in business circle special campaign at Marco Polo Square of Italian-flavoured Street, a famous 4A scenic spot of Tianjin. By exhibit setup, leaflets issue and other means, we actively generalised various financial knowledge toward consumers.

In addition, the Bank took active part in the "26 September Five Enters Education & Awareness Program" at Gold Street, Heping District of Tianjin. Through elaborate planning and orderly deploying human and physical resources, we have practically ensured the orderly conduction of such program. Meanwhile, the Bank's consumer protection education & awareness volunteers sent hundreds of publicity materials to the public, and carefully lectured on financial knowledge, benefiting nearly 100 visitors.



Listening to Consumer's Voice, Improving Complaint Handling Mechanism

To further regulate consumer complaint handling, increase the quality and efficiency of complaint management, increase customer service satisfaction, and improve the Bank's comprehensive service level, the Bank issued the *Notice to Further Regulate Complaint Handling*, to shoulder primary responsibility, implement the first inquiry accountability system, establish rapid response mechanism, classify governance, and strengthen complaint examination among other measures.

As of the end of the Reporting Period, according to the standard statistical method adopted by the People's Bank of China for the statistical classification of financial consumer complaints, the Bank received 2,233 customer complaints, of which the categories included RMB savings, loans, bank cards and others, with the geographic areas covering Tianjin, Beijing, Hebei, Shanghai, Shandong and Sichuan. The Bank actively communicated with customers and gave explanations with patience by fully utilizing diversified solutions to carry out negotiations until they are solved. During the Reporting Period, there was neither continuous action such as appealing with aggressive behaviours or groups, or material complaints that led to public opinions and involved in litigation.

Attention to Intellectual Property Rights Protection

To increase our intellectual property rights protection and

Offering Love to Convey Financial Warmth

Generalising Financial Knowledge, Popularising the Laws

To perform the missions and responsibilities as a state-owned financial institution, the Bank always persists in the development mindset of people-orientation, continuing the popularisation of civil code and financial knowledge.

• **"Beautiful Life with Civil Code" themed rule of law awareness education program.** During the Reporting Period, the Bank held civil code knowledge special matches, law popularisation micro-course exhibition, featured legal training, collective visit and other rule of law education activities themed by "Beautiful Life with Civil Code", and entered into communities and villages through branches, expanded the law popularisation scope of civil code by multiple means and by multiple perspectives. We exhibited more than 1,000 promotional materials, held nearly 100 promotional events, held more than 100 learning events, reaching more than 10,000 audiences, so that the civil code walked into people and their soul.

software copyright management, the Bank developed the *Software Copyright Management Methods of the Bank of Tianjin*, and the *Implementing Rules of IT Intellectual Property Rights Management of the Bank of Tianjin*. Backed by IT construction, the Bank continued exploring frontier technology application. As of the end of the Reporting Period, the Bank had applied for 93 intellectual property rights, of which 57 were authorised, further strengthening the Bank's soft power and core competence, offering solid technical supports for the business development of the Bank.

As to software copyright management, the Bank established the "Bank of Tianjin Software Copyright Leading Group", to actively implement software copyright working responsibilities, and drive software copyright related work. The Bank developed annual software copyright work plan and implemented software procurement related work, established and updated software application ledger, made self-check on the software application by technical means, and conducted software copyright promotion and training. During the Reporting Period, there was no problem found in the software application site check carried out by the Copyright Administration, and the Bank won high appraisal.

In respect of trademark registration, in full consideration of our business name, product features, use frequency and market share among other factors, at the requirements posed by relevant authority, the Bank registered trademarks, design patents and art works for business product names and bank card designs. During the Reporting Period, the Bank obtained 18 trademark registration certificates and 5 art work registration certificates.

• **Enlarging publicity to popularise financial knowledge.** To increase consumer's financial common sense on debit card safety, and enhance their financial risk identification capability, the Bank made full use of "Bank of Tianjin", "Bank of Tianjin Micro-Banking" WeChat accounts to promote the "Bank of Tianjin Debit Card Safety Knowledge Class" continuously, and cumulatively posted 10 articles, covering card application and use safety, password safety, online trading safety, ATM device or other self-service device transaction safety and POS scanning safety, to increase consumer's financial common sense for all scenarios.

Supporting Underdeveloped Villages, Supporting Rural Revitalisation

The Bank insisted on supporting the development of underdeveloped villages and the rural revitalisation, as a political responsibility and a political task. Focusing on the target requirements for "five increases, five improves", the Bank deeply supported the 4 underdeveloped villages in Dongjituo Town, Ninghe District, to promote grassroots communist construction, industry project and infrastructure construction in order.

• **Insisting on Party building leadership, gathering the "centripetal force" of rural revitalisation.** The Bank gave play to the role of the "first secretary" in the village, conducted 53 Party building construction activities, and increased the grassroots governance of communist organisation. With industrial revitalisation as the mainline, the Bank researched and developed the 2023 yearly supporting work plan, invested RMB900,000 supporting fund, to provide solid security for smoothly promoting the supports. Additionally, the Bank promoted "project-based division of work, process-based promotion, ledger-based management" working mode. The Bank held 8 theme promotional meetings, listened to village reporting, coordinated for problem solution, and accelerated various supporting tasks.

• **Enhancing industrial empowerment, initiating the "source power" of collective economy.** The Bank insisted on "increasing income with agricultural machinery", "agricultural support through consumption" and other industrial development ideas. The Bank made full use of the platform of Tianjin Ningdong Agricultural Machinery Services Co., Ltd., to purchase self-propelled soiling food harvesters, and conduct farmer-helping business operations in Anhui, Henan, Northeastern China, Inner Mongolia, Gansu and other places of China. Also, the Bank actively extended the rice sales channels in Ninghe District, advocated "procurement in lieu of direct assistance" program within our jurisdiction, and purchased more than 25,000kg rice in total. Throughout the year, the Bank realised village collective revenue RMB879,000, and net profit RMB293,000.

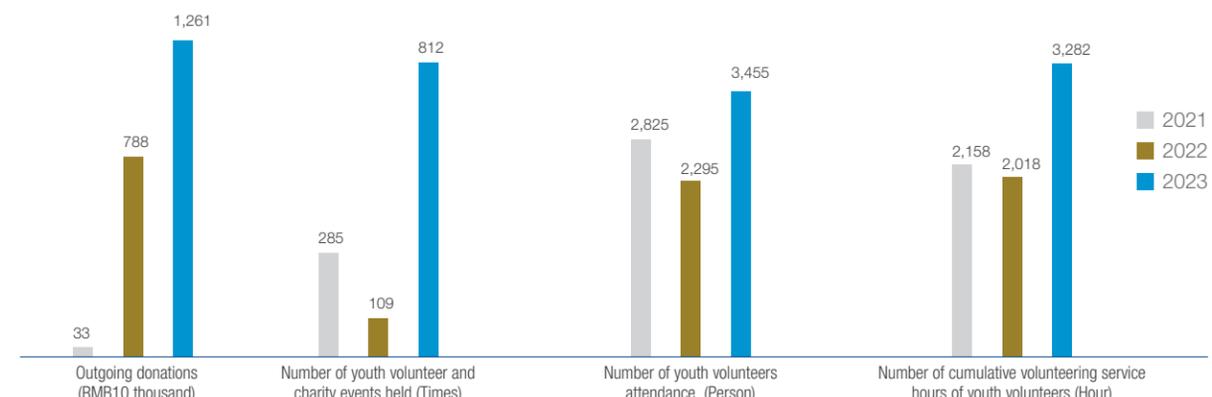
• **Increasing people's benefit, improving village habitat "soft power".** The Bank promoted infrastructure construction, repaired road 1,000 square meters, installed 18 cameras, renovated and constructed four dilapidated houses in Lixiuzhuang Village Communist-Mass Service Centre, cleaned up pit garbage waste, refilled high quality soil, and improved village image obviously. During New Year and Chinese New Year seasons, the Bank visited 29 difficult families, and dispensed RMB14,500 for consolation cumulatively, to timely solve the urgent needs of the villagers in difficulty. Also, the Bank conducted "new style of the times, inheriting from selfless spirits" volunteering service activity, and planted 300 yellow peach seedlings.



Public Welfare, Return to Society

The Bank practised social responsibilities, committed to bringing positive changes to the society. In 2023, the Bank combined our own features and advantages, cordially participated in social public welfare, supported rural revitalisation, cared about the educational development of poverty-stricken regions, and helped college students innovate and create business. We also cared about police officers, supported medical and health causes, encouraged employees to take part in public volunteering events, and returned to the society with actual action.

As of the end of the Reporting Period





Poverty alleviation through education, enlightening future road

In 2018, under the collective arrangement of National Financial Regulatory Administration (NFRA) Sichuan Bureau, Kangding City became the subject of poverty alleviation through financial support of Chengdu Branch. In recent years, Chengdu Branch continued performing the social responsibilities of financial institution, insisted on putting the poverty alleviation through education as the priority of poverty alleviation through public welfare, immersed ourselves in providing intelligent support, and helped in talents training.

Increasing political stance, perfecting support mechanism

The Party Committee of our Chengdu Branch included poverty alleviation into yearly priorities of the committee, which were broken down level by level to clarify the duties of branch committee, grassroots party branch, and communist cadres, developed the poverty alleviation special work plan, and established the process management mechanism of plan-leading and ledger promotion. Branch Party Committee closely combined the communist learning and education with pairing support, to solidify rural education base, sent great love to remote mountainous areas, and worked hand in hand with Kangding City to start the new journey to rural revitalisation and support undertakings.

Focusing on basic education, clarifying support program

In 2022, Chengdu Branch selected Edamenba Village of Kangding City designated by United Front Work Department of CPC Sichuan Provincial Committee as the subject of support. Yingguan Elementary School located in this village is about 45 km from Kangding County Town, with 212 pupils. For a long time, the school lacked paper and electronic library resources, with insufficient infrastructure equipment, hard to meet students' extracurricular readings and full balanced development requirements. Chengdu Branch developed support programs, donated for the construction of 1 children's palace, 1 "Seagull Library", 1 "Seagull Electronic Library", to provide additional learning and activity venue for students after class.

Teaching facilities, featured lessons

Chengdu Branch actively promoted the construction of local children's palaces, rebuilt former idle spaces, continuously extended event venues, optimised functional zones, and perfected teaching facilities. In addition, Chengdu Branch opened dancing rooms, calligraphy rooms, painting rooms etc., and opened chess, rope jumping, classic recitation, mathematical thinking, creative drawing, and paper engraving among other lessons according to the age characteristics of students. After elaborate shaping, currently the children's palace is open for operation.



Project application, with support effects

Chengdu Branch effectively played the function of "Seagull Library", actively conducted "We Love Reading" activity, to broaden children's cultural vision, read good books together and grow up happily. In addition, to satisfy eligible student's educative demands and growth expectation, Chengdu Branch donated to build the first electronic library for this school. The library is equipped with necessary electronic devices, to provide voluminous electronic literature for teachers and students, so that students may expand their visions through internet and catch up with world pace. As of the end of the Reporting Period, the children's palace, the Seagull Library and the Seagull Electronic Library benefited students from the surrounding one town and one rural township, including more than 1,500 pupils of elementary schools and more than 500 kids from kindergartens, greatly enriching the extracurricular life of peripheral rural kids and broadening their knowledge effectively.

During the Reporting Period, Chengdu Branch donated a number of multifunctional copy devices and laptops to boarding schools in the Jiagenba division of Kangding City, to improve the school office conditions, solve the problem of obsolete hardware facilities, and increase the teaching efficiency. Meanwhile, Chengdu Branch donated 100 electric solar lamps to Tagong Town of Kangding City, to effectively improve the town-wide night lighting infrastructure, and reduce hidden risks for students on the way to/from school, for residents on the way to hospital, and for vehicles on road at night.

With outstanding public welfare performance, Chengdu Branch was titled "inheritor of red culture, supporter of rural revitalisation" for the year of 2023.





Infusing Care for Nurturing Employee Growth

Equal Employment Opportunities

The Bank strictly complies with the *Labour Law of the People's Republic of China*, *Social Insurance Law of the People's Republic of China* and other relevant laws and regulations. It sets eligibility requirements based on position needs and in accordance with the *Employee Management Measures of Bank of Tianjin*, and ensures recruitment information transparency and a fair recruitment process. During recruitment, the Bank implements the principle of "openness, equality, and merit-based" and respects the candidates' right to choose their positions based on their own will. We do not set discriminative or restrictive requirements on nationality, gender, religion, ethnicity or native place during recruitment, treat people with disabilities fairly, treat employees with different background equally, and is committed to creating a workplace atmosphere featuring diversity.

During the recruitment process, if the candidate is found to have irregular behaviours, the Bank will first check the relevant situations and cancel his/her eligibility if they are verified. The Bank also complies with the *Provisions on the Prohibition of Using Child Labour* and other relevant international regulations and requirements, carefully examines the age of the candidates, and does not hire children. During the Reporting Period, child labour did not occur in the Bank.

The Bank strictly complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China* and other relevant laws when handling employee dismissal or departure affairs, and handles employee departure formalities in compliance with the *Implementation Rules on Labour Contract System of Bank of Tianjin*, the *Implementation Rules on Employee Turnover Management of Bank of Tianjin* and relevant policies and rules on human resources management of the place where the operating unit is located. Employees have the right to resign freely with a reasonable notice.

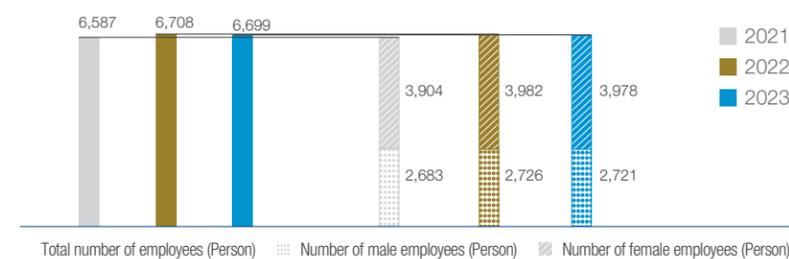
As of the end of the Reporting Period



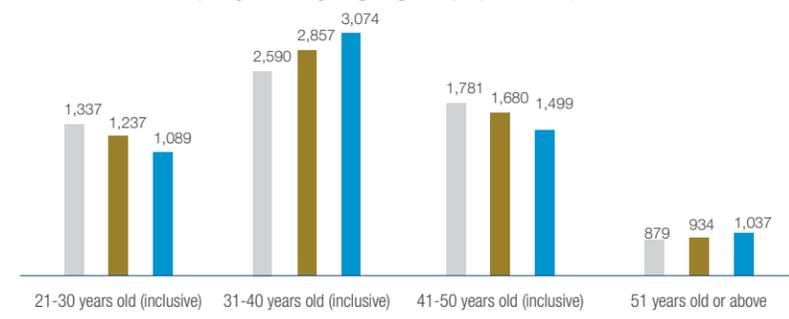
the Bank had totally
6,699 employees
all full-time employees



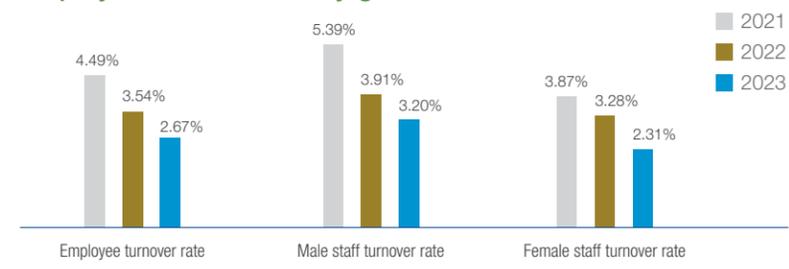
100%
of whom signed the labour contract



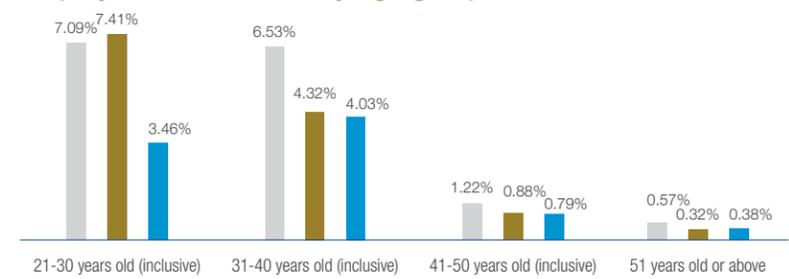
Number of employees by age group (Person):



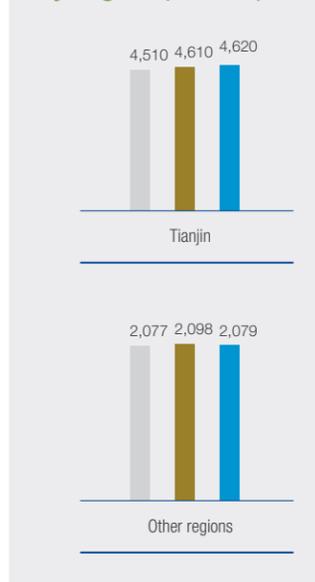
Employee turnover rate by gender:



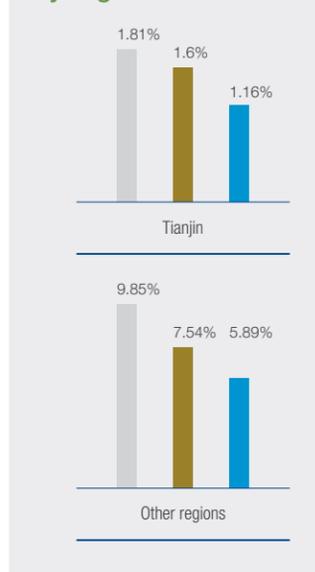
Employee turnover rate by age group:



Number of employees by region (Person):



Employee turnover rate by region:



Protecting Employees' Rights and Interests

The Bank strictly complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, and other relevant national and local laws and regulations. The Bank formulated a number of internal policies such as the *Administrative Measures for Supplementary Medical Insurance of Bank of Tianjin's Employees* and the *Employee Welfare Plan of Bank of Tianjin* to further improve the employee benefits system, and took various effective measures to protect employees' rights and interests in order to ensure the benefits of employees.

Reasonable working hours

- In accordance with the *Labour Law of the People's Republic of China* and the *Labour Contract Law of the People's Republic of China*, the Bank adopts the standard working hour system, ensuring that employees are entitled to reasonable working hours and have the right to take leaves, and avoids forced labour.
- During the Reporting Period, forced labour did not occur in the Bank.

Protecting women's rights and interests

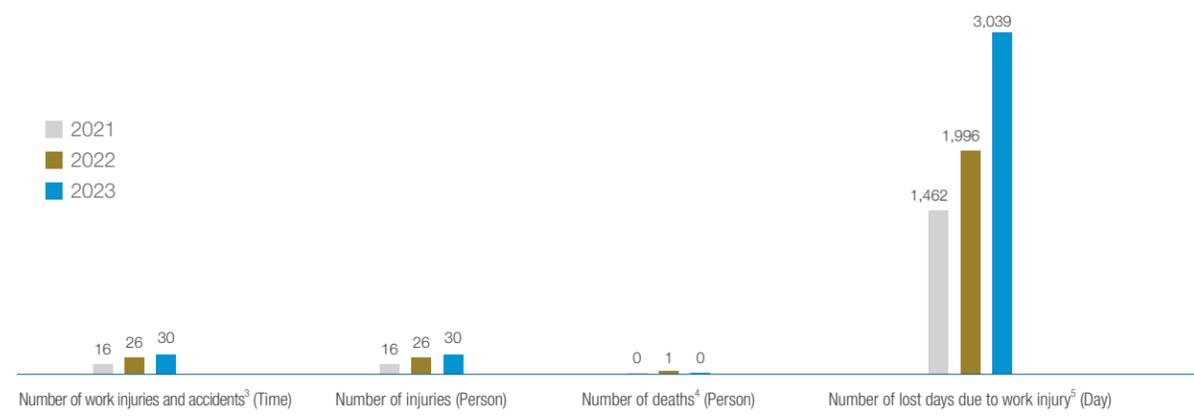
- The Bank respects female employees, and does not arrange female employees to take on jobs that are prohibited in the labour scope.
- The Bank does not lower female employees' salaries, fire them or terminate their labour contracts because they are pregnant, have given birth or are in the lactation period, provided that they have not violated laws, regulations or the Bank's policies.

Providing adequate insurance coverage

- In addition to strict performance of the social insurance and provident fund systems, the Bank provides supplementary pension insurance and medical coverage in accordance with the *Employee Welfare Plan of Bank of Tianjin*, and provides group accident insurance and group critical illness insurance for all the employees, to reduce the risk of poverty and difficulty due to accident or major diseases.

Caring about employees' health

- The Bank organises employees to have a physical checkup every year in accordance with the *Measures of Bank of Tianjin for Employee Health Examinations*.



³ Work injuries and accidents include traffic accidents occurring when the employee is on his/her way to work, to home or to handle business, and injuries due to falling, being hit or death at workplace during working hours.

⁴ Work-related fatalities are incidental in each year and their rates are not representative and therefore are not disclosed in this Report.

⁵ The number of lost days due to work injury includes the number of working day leaves taken in the reporting year due to work injuries occurring in the reporting year and in the previous year(s).

Helping Employees with Their Development

Oriented to reinforced foundation, to win the "competent speed-up battle", the Bank is committed to training a group of cadres, experts and leaders with reasonable age structure and strong competence by increasing political quality, training thinking ability, learning specialised knowledge and practising skills, in the efforts to build a high quality professional talent team, and provide secure human resources for high quality development. The Bank adheres to the principle of "equal pay for equal work". Taking in account the actual situation, we continuously adjust and improve the remuneration system and related systems, establish scientific and effective incentive restraint mechanism, encouraging employees to endeavour and increasing their working enthusiasm.

- The Bank has established performance-based remuneration system, examines and determines employee's remuneration according to position and performance examination, to effectively motivate employee's working activity and creativity, and increase their working efficiency. The Bank makes full use of remuneration tools, balances current and long-term relation, gain and risk relation, realises healthy operation, and promotes the synchronous enhancement of sustainability and employee's value of the Bank.
- The Bank powerfully advances the establishment of professional sequences, solidifies the examination foundation for selective promotion, encourages and leads employees for growth and talents. The Bank has established the "18+1" promotion channel covering entire employees, outlined visible promotion standards and paths for employees, provided fairer and broader career development space, and further broadened the promotion channels for employees.

Five priorities for the cultivation of talents

Political training

- The Bank deeply carried out "strengthening roots and forging spirits" education and training project, held training sessions for party branch secretaries to understand the spirits of the 20th CPC National Congress, themed education reading class among other special training sessions, as well as party branch secretaries, communists, communists-to-be training sessions among other key sessions.
- The Bank organised "transparent cultural construction in new era", "correct understanding and great promotion of Chinese style modernisation" among other online theme training, to drive full coverage training on middle class and above management.

Young key personnel training

- The Bank selected young key personnel from bank-wide to hold the ninth training class in two terms. Throughout the year, the Bank held cumulatively 6 offline collective training sessions. Meanwhile, the Bank introduced theme events, action learning and other management assisted approaches to track the training of youth training class members.
- The Bank visited Tianjin Seagull Watch and other leading enterprises for crossover exchange and learning, and produced multiple outcomes of action learning.

Professionals training

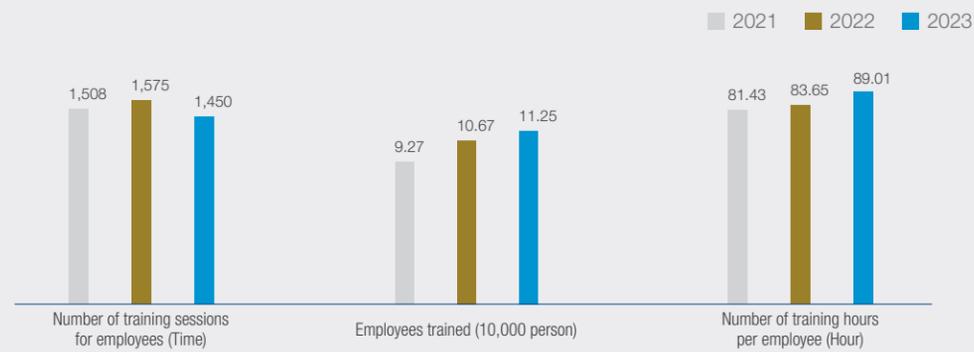
- The Bank conducted a variety of events, like company-line "Training Week" and "Special Training Camp", "Seagull Pilot (海鸥领航)" retail young key personnel and elites team training camp term 3 training project, "Operating e-learning" talent training project, risk manager capability improvement plan, compliance & prevention, professional ethics, warning education, transparency culture and other special training.
- During the Reporting Period, the Bank totally held 50 sessions of "Bank of Tianjin Lecture - e-Class" open course, attracting more than 10,600 participants.

Internal trainers selection

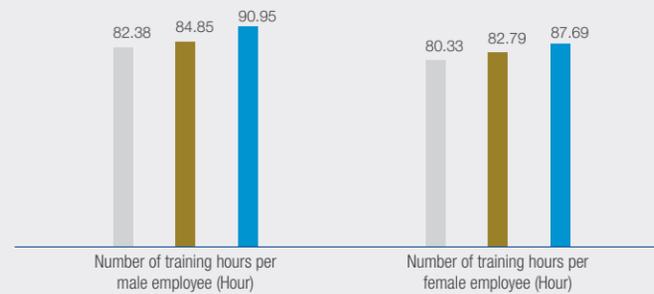
- The Bank followed the working mindset to train a group of "internal trainers", deposit a group of "good courses", extract a group of "good cases", and select a group of "good lecturers". As of the end of the Reporting Period, the Bank cultivated cumulatively 176 internal trainers, fully covering 18 professional sequences and all levels of organisations. In addition, the Bank cumulatively deposited more than 190 courses for internal trainers, extracted more than 120 case videos, and elected 20 "good lecturers".

Newbies training

- The Bank organised new employees for newbies training, arranged newbies to visit grassroots outlets for half-year post practice learning. During that term, the Bank recalled newbies to take part in workshops and seminars, encouraged and led young people of the Bank of Tianjin to integrate in practice more quickly and become responsible and competent.



Number of training hours per employee by gender:



Percentage of male employee trained
100%

Percentage of female employee trained
100%

Number of training hours per employee by category:



Percentage of senior management officers trained
100%

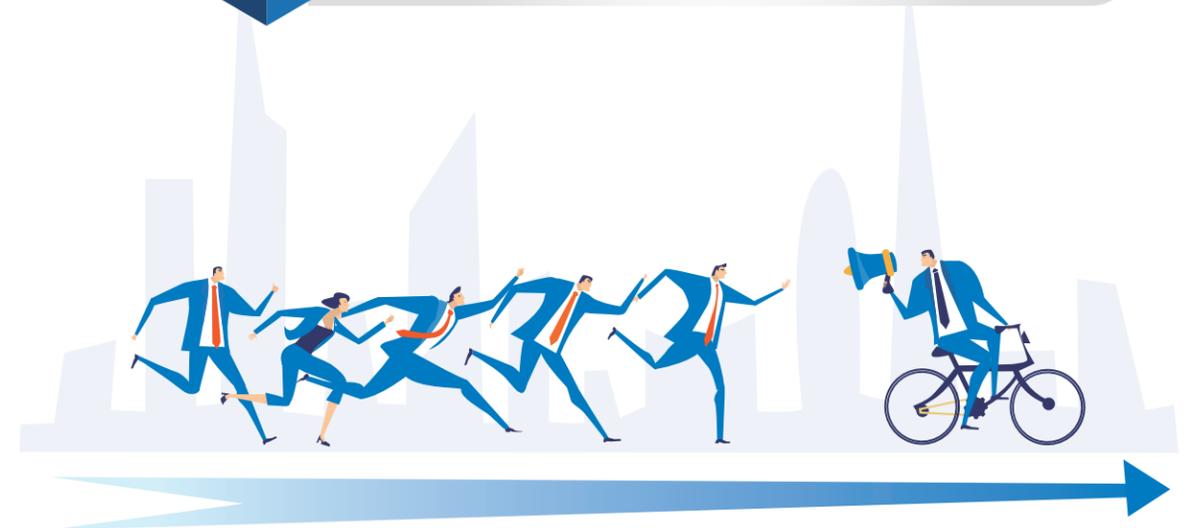
Percentage of middle management employees trained
100%

Percentage of ordinary employees trained
100%

- Encouraging employees to obtain professional qualifications. The Bank continued promoting employees education for professional qualifications, guided and encouraged employees to obtain CPA, lawyer, chartered financial analyst, banking professional qualifications among other professional qualification certificates. As of the end of the Reporting Period, 3,562 persons obtained the foregoing certificates, of whom, 2,136 employees obtained the banking professional primary qualification certificates, and 144 employees obtained the banking professional intermediate qualification certificates.

Measures Encouraging Employees to Obtain Professional Qualifications

- The Bank formulated the *Employee Professional Qualification Certificate Management Measures of Bank of Tianjin*, encouraged employees to take professional qualification learning to continuously improve professional competence, and continued increasing our team's overall qualities.
- The Bank gave publicity to and organised employees to apply for the 2023 banking qualification examination, and provided training on interpretation of primary and intermediate teaching materials and pre-examination counselling courses.
- In accordance with the *Employee Professional Qualification Certificate Management Measures of Bank of Tianjin*, the Bank links employees' exam results and professional credentials with their promotion prospects and outcomes in the selection of advanced and excellent employees.
- We set aside a certain amount of funds from the full-year education budget to support and guarantee employees' study and application for banking-related professional qualification certificates.





2023 yearly newbies training

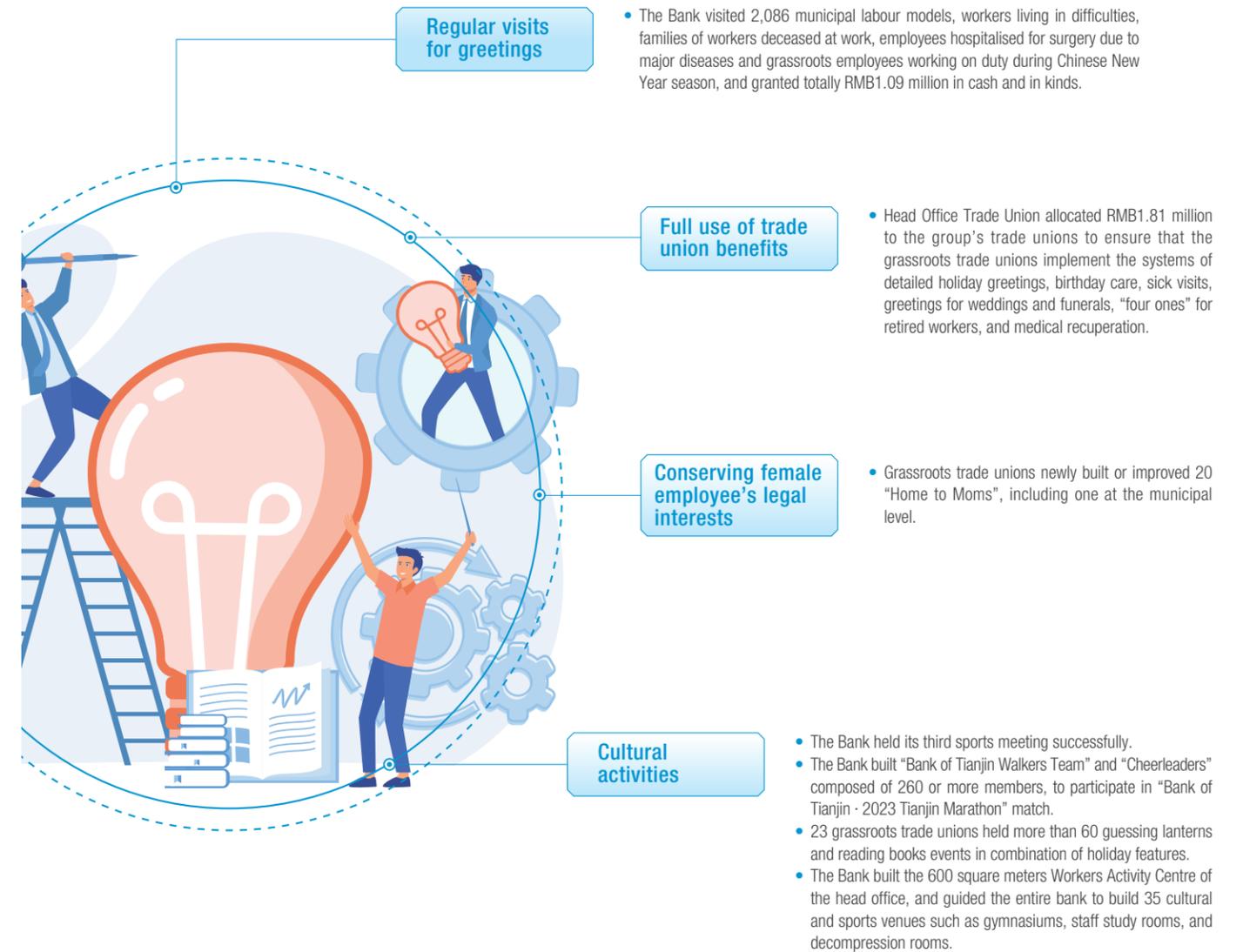
In July 2023, the Bank held a 10-day training on new employees for the year 2023, where nearly 200 newbies from bank wide across all levels took part in and graduated. This training for the first time opened the "new employees meeting senior executives face to face" themed series courses. Eight members of head office management gave lectures in a row to communicate with new employees face to face, calling on new employees to work hard in the Bank of Tianjin and create a splendid business. During the training, famous experts and scholars were invited specially to give themed lessons, and hybrid class + diversified teaching were adopted

in the training creatively, mainly by discussing around innovative thinking, professional values shaping, official writing methods and Xi Jinping Thoughts on the rule of law etc. Apart from collective lecturing, this training creatively conducted qualities extension, "Weird Words (奇葩说)" debates, brother seminar, fun sports meeting, themed birthday party, knowledge competition, credit point auction among a series of interactive teaching experience activities, culminating at a cultural performance elaborately prepared by new employees, which fully embodied the young style of new generation employees of the Bank of Tianjin.



Caring about Employees

The Bank continued enhancing the pilot project construction of "increasing employee's life quality, shaping happy life environment". The Bank focused on what employees looked forward to, building 5 service system of "full dimension" rights protection service system, "full coverage" life security service system, "full process" health management service system, "all directional" spiritual civilisation service system, and "full function" event position service system, and refining 15 service paths.





The Lantern Festival 2023



Dragon Boat Festival Activities



Women's Fashion Show on 8 March



Home to Moms



The third Workers Sports Meeting

On 14 October 2023, the Bank held the third Workers Sports Meeting of the Bank. This sports meeting included badminton match, 2 traditional sports projects, 6 fun sports projects, and 5 civic fitness projects, where the variety of projects, the number of participants and the content of science and technology recorded the historical highs. Cumulatively more than 3,000 workers took part, over 500,000 persons watched the matches, many media agencies reported the splendor of this sports meeting, including Xuexi.cn, Workers' Daily, TJYun, NetEase Tianjin, to effectively gather the teamwork power of officials and workers, and increase the Bank's corporate image.



Case Study



Candidate to All-China Federation of Trade Unions, pilot entity improving workers life quality

The Bank was a candidate to the third batch of pilot entities "Improving Workers' Life Quality" sponsored by All-China Federation of Trade Unions. As one of Tianjin's first pilot entities "improving workers' life quality, shaping happy life environment", in recent years, the Bank has always persisted in human-based philosophy, included the working requirements for "improving workers' life quality, shaping happy life environment" into the Bank's "Fourteenth Five-Year Plan" development strategic planning, communist committee priorities, supervisory inspection, performance examination, in joint deployment, advancement, implementation, examination with communist construction. The Bank insisted on "workers centred" philosophy, deeply conducted theme survey, focused on what workers expected and needed, built 5 major service systems, clarified 10 service paths, to make the piloting work with aim, path, method, effect. The Bank was steadfast in its commitment to placing workers at the centre, ensuring their needs were carefully attended to. We drove reform initiatives aimed at benefiting a broader spectrum of workers. Moreover, we transformed the pilot program aimed at improving workers' quality of life into a focal point for enhancing overall livelihood benefits. This concerted effort gathered momentum towards building harmonious enterprises and advancing the bank's high-quality development agenda.

Case Study



Continuing Focus on Employees Occupational Health

In addition to supplementary medical security for employees, the Bank established bank-wide employee group accident insurance and group critical illness insurance, and actively provided two occupational health protective screens for employees. The Bank regularly organised employee physical examination, offering health check benefits to entire employees. We have held 20 sessions of "Health Class" theme seminars to popularise health management, psychological healing, first aid treatment, and occupational disease prevention knowledge.

Securing Employees to Take Part in Democratic Management

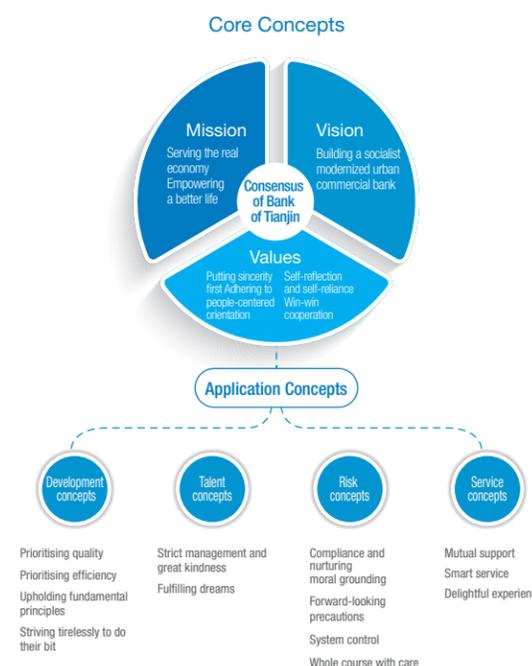
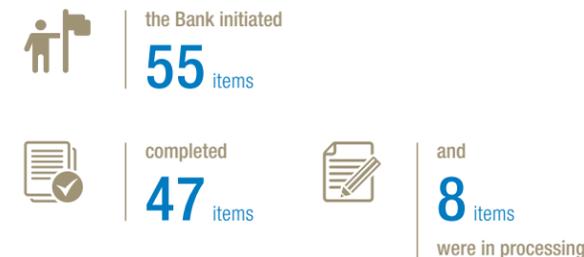
Starting from the first inquiry accountability system and the supervision system, the Bank remained committed to collecting specific problems found by grassroots entities and employees in the course of communist construction and business development, sorting and analysing, defining the undertaking departments, clarifying the deadline, and then supervising the matter, and timely tracking the progress of all undertaking departments.

During the Reporting Period, the Bank held 6 group representative workers conferences, to listen to the senior management's work report, the corporate principal's briefing of remuneration, performance of duties and business expenditures, as well as the employee supervisors' job report, considered and adopted the *Tentative Methods of Professional Sequences Management of the Bank of Tianjin*, the *Draft Salary Collective Agreement 2023 of the Bank of Tianjin*, and completed 10 matters closely related to worker's interests like the supplementary election of employee supervisors. The Bank actively ensured worker's right to know, participate in, express and supervise the development of the Bank.

Concerted Efforts, Corporate Culture System

The Bank delved deeply into and assimilated the rich cultural heritage preserved by the history of the Bank of Tianjin. Through extensive participation and profound reflection across the organisation, the Bank developed a corporate culture philosophy system including two parts, namely, core philosophy and applied philosophy. During the Reporting Period, the Bank conducted bank-wide corporate culture publicity by lecture, shared training and other means, trying to cultivate cultures into an important competitive edge of the Bank for high quality development.

As of the end of the Reporting Period



Future Prospects

The year of 2024 marks the 75th anniversary of the People's Republic of China, and a critical year to implement the national "Fourteenth Five-Year" Plan. The Bank of Tianjin will remain steadfast in its development philosophy of "innovation, coordination, green, openness, and sharing". We will thoroughly study and implement the spirit of General Secretary Xi Jinping's important speech during his visit to Tianjin and the spirit of the Fifth Plenary Session of the Twelfth Tianjin Municipal Committee of the Communist Party of China (CPC). Also, we will put into practice the important requirements of "pursuing four intended goals as planned". We will be committed to upholding "boundaries in politics, regulation, business, rule of law, and capability" while bolstering internal development quality and external engagement, including "Five Major Articles". Our aim is to anchor finance in supporting the real economy and, beginning with the "Double Five Battles", contribute to the high-quality, sustainable socioeconomic development.

Adhering to our principles, we are delving deep into "Corporate Governance". We are striving to grasp the essence of compliant operations, clarify boundary concepts, and identify the scope of service, operational parameters, and behavioral limits. We are committed to acting within our capabilities and breaking free from the inertia of conventional thinking, ingrained beliefs, and mental constraints that hinder progress. Through specialised initiatives in "Corporate Governance", we are comprehensively addressing personnel, principles, credit risks, internal controls, and compliance audits. By identifying fundamental issues at their roots, we aim to achieve "rebirth-like" changes.

We will strengthen our foundation and deepen the "Double Five Battles". We will integrate the "stock-increment-quality" work into the "Double Five Battles", serving as the cornerstone, breakthrough point, and specific focus for our entire organisation's high-quality development. Our efforts are concentrated on business transformation, replacing old with new, fostering innovation, refining management, and enhancing corporate governance, thereby advancing Five Major Battles. We will cultivate strategic management capabilities, enhance the combat readiness of our cadre teams, improve the integrated combat capabilities of our units, advance product and service iteration capabilities, strengthen risk management capabilities, and leverage technology empowerment capabilities to accelerate and elevate our efforts in the Five Speed-up Battles.

Returning to our original intentions, we will make collective efforts to write "Five Major Articles". In technology finance, we must seize the momentum and propel forward. Embracing the principles of "commercial

banking + investment banking", "financing + intelligent", "credit+ commercial" and "funds + licensing", we aim to continuously enhance our diversified comprehensive financial service model in "equities, bonds, loans, funds, leases, and insurance & guarantee", fostering a virtuous cycle of "technology - industry - finance". **Green finance should serve the big picture with precision.** Building on regional resources and economic development needs, we will further explore innovative product and service models, expand our influence in the ESG field, and contribute to national energy security and "dual carbon" goals through financial contributions. **Inclusive finance should nurture the real economy and benefit livelihoods.** We will increase support for small and medium-sized enterprises and private businesses, further alleviate financing difficulties and high costs, promote products like "Smart Merchant Connect" and "Unified Four-in-One Cards" products to meet the comprehensive financial needs of citizens and emerging forms of employment. We will implement financial services to support rural revitalization and boost farmers' income. **Pension finance should ensure the elder' well-being and enjoyment.** By innovating credit products and services tailored to the characteristics of the elderly care industry, we will enhance the "the Harbour" brand for elderly services, support diversified financing channels conducive to the development of the elderly care industry, and meet the increasingly diverse needs of pension finance. **Digital finance should blend "intelligence" with craftsmanship and enhance user experiences with "smart" functionality.** By formulating a comprehensive strategy and action plan for digital finance, with a focus on "integrating industry expertise, technological innovation, and digital scenarios", we aim to enhance the quality and efficiency of digital supply, expand our ecosystem services, and construct an efficient, flat, and intelligent business development engine through the construction of a centralised digital finance hub.

Looking ahead, the Bank of Tianjin will embark on a new journey, continuously advancing mechanisms to "strengthen foundations", "fortify roots", and "pursue long-term development". We will deepen our sense of responsibility, always preserve our original intention of serving the people through finance, and uphold a commitment to excellence. With unwavering determination and utmost dedication to craftsmanship, we will strive to contribute to the construction of a "beautiful China" and a "financial powerhouse".



ESG Indicator Index

HKEX's Environmental, Social and Governance Reporting Guide

Level	Content	Page of disclosure
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: ① Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. ② Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. ③ Hazardous wastes are those defined by national regulations.	68-69
A1 Emissions	A1.1 The types of emissions and respective emissions data.	72-73
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	72-73
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	The Bank's core business seldom involves the generation of hazardous wastes, and this indicator is not a material issue for the Bank.
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	72-73
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	71
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	71
	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	68-73
A2 Use of Resources	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	72-73
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	72-73
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	71
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	71
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

Level	Content	Page of disclosure
A3 Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	20, 46-50, 64-67
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	20-21, 46-50, 64-67
A4 Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	66-67
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	66-67
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	86-89
	B1.1 Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	87
	B1.2 Employee turnover rate by gender, age group and geographical region.	87
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	88, 97
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	88
	B2.2 Lost days due to work injury.	88
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	97
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	89-92
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	90
	B3.2 The average training hours completed per employee by gender and employee category.	90
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	86
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	86
	B4.2 Description of steps taken to eliminate such practices when discovered.	86

Level	Content	Page of disclosure
	General Disclosure Policies on managing environmental and social risks of the supply chain.	70
	B5.1 Number of suppliers by geographical region.	70
B5 Supply Chain Management	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	70
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	70
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	70
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	80-82
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	B6.2 Number of products and service related complaints received and how they are dealt with.	82
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	82
	B6.4 Description of quality assurance process and recall procedures.	N/A
B7 Anti-corruption	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	80-81
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	39-41
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	41
B8 Community Investment	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	41
	B7.3 Description of anti-corruption training provided to directors and staff.	41
	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	82-85
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, and sports).	82-85
	B8.2 Resources contributed (e.g. money or time) to the focus area.	82-85



Reader's Feedback

Thank you for reading the Report. In order to ensure effective communication with you and other stakeholders, and continuously improve the performance of environmental and social responsibility and preparation of social responsibility report by our Bank, we look forward to hearing your valuable opinions and suggestions. You are welcome to comment via the following contact channels:

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Please share your comments with us:

1. Your overall impression of this Report:

Excellent Good Average Poor

2. What do you think of the clarity, accuracy and completeness of the information and data disclosed in this Report?

Excellent Good Average Poor

3. How comprehensively do you think this Report reflects the economic responsibilities assumed by our Bank?

Excellent Good Average Poor

4. How comprehensively do you think this Report reflects the environmental responsibilities assumed by our Bank?

Excellent Good Average Poor

5. How comprehensively do you think this Report reflects the social responsibilities assumed by our Bank?

Excellent Good Average Poor

6. How reader-friendly is this Report in terms of design and layout?

Excellent Good Average Poor

7. Which aspect covered in this Report do you think needs to be improved most?

Operations Services Environment Employees Society

8. Is there any matter that you would like to know but is not disclosed in this Report?

9. Your opinions and suggestions on the Bank's social responsibility work and preparation of this Report: