Environmental Information Disclosure Report

For 2020

九江银行股份有限公司
Bank of Jiujiang Co., Ltd.
From 1 January 2020 to 31 December 2020

Semi-Annual Report

The disclosure scope of this Report covers the headquarters and branches of Bank of Jiujiang Co., Ltd.

The financial data in this Report are mainly for the period from January 2020 to June 2020, partly including data from the previous years. The data comes mostly from the Bank’s internal documents and some relevant statistical materials. Some data may differ from the annual report due to statistical caliber factors (such as the caliber of consolidated statements and the caliber of bank statements), and the data in the annual report may be updated.

The Board of Directors of the Bank (hereinafter referred to as ‘Board’) guarantees that there are no false representations, misleading statements or material omissions in the contents of this Report, and assumes responsibility for the truthfulness, accuracy and completeness of its contents.


This Report has been prepared in accordance with the disclosure requirements of the Guidelines for Environmental Information Disclosure of Financial Institutions (Trial) released by the Financial Standardization Technical Committee of the People’s Bank of China and refer to the Principles for Responsible Banking by the United Nations Environment Programme (UNEP), the Recommendation Report of the Working Group on Task Force on Climate-related Financial Disclosures (TCFD) and the environment-related disclosure requirements and recommendations in Appendix XXVII: Environmental, Social and Governance Reporting Guidelines of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Ltd. issued by The Stock Exchange of Hong Kong Ltd.

Green Finance Division, Bank of Jiujiang

Issuance Form

This Report is published both in print (using recycled paper) and online. The online version can be found and downloaded on the Bank’s official website (address: http://www.jjccb.com).

Contact

Office of the Board, Bank of Jiujiang Co., Ltd.
Address: Bank of Jiujiang Mansion, No.619 Changhong Avenue, Lianxi District, Jiujiang City, Jiangxi Province, China
Postal Code: 332000
I. Annual Overview
  1.1 General Overview
  1.2 Key Results and Performance
  1.3 Planning and Objectives

II. Environment-Related Governance Structure
  2.1 The Board of Directors Level
  2.2 The Management Level

III. Environment-Related Policies
  3.1 External Policies
  3.2 Internal Policies

IV. Analysis and Management of Environmental Risks and Opportunities
  4.1 Environmental Risk Impacts of the Bank
  4.2 Environmental Risk Management and Processes of the Bank

V. The Impact of Business Activities on the Environment
  5.1 Greenhouse Gas Emissions and Related Risks
  5.2 Effects of the Bank’s Environmental Protection Measures
  5.3 Calculation of Environmental Impact of Business Activities

VI. Environmental Impact of Investment and Financing Activities
  6.1 Environmental Impact Caused by Investment and Financing Activities
  6.2 Measurement and Expression of the Environmental Impact of Investment and Financing Activities
  6.3 Data Sorting, Verification, and Protection

VII. Green Financial Innovation and Research Results
  7.1 Sustained Green Financial Product Innovation, Actively Promote Business Landing
  7.2 Strengthening External Communication and Cooperation, Deepening the Cultivation of Green Finance Research
  7.3 Future Outlook

VIII. Organizations and Honors

IX. Index Tables
Annual Overview

1.1 Overview

1.2 Key Results and Performance

1.3 Planning and Objectives
1.1 General Overview

The Bank of Jiujiang, a major commercial bank in the Jiangxi Province, has been committed to serving the real economy with improved quality and efficiency, and promoting green development sharing. As of December 2020, the Bank’s green credit balance was 11.763 billion yuan, an increase of 40.02% since the beginning of the year. The Bank took the lead in landing a number of green note projects, with a total of 601 million yuan in green note acceptance, 792 million yuan in green note discounting, and another 586 million yuan in discounting.

In order to take full advantage of the policy opportunity presented by the approval of Fuzhou as a pilot city for the reform of the national ecological product value realization mechanism, the Bank set up the first Ecological Finance Business Department in the Jiangxi Province on 29 May 2020. The department conducts theoretical research on the innovative path of green finance to support the realization of the value of ecological products and practical exploration of innovative production services. The Bank is committed to transforming the value of ecological products and injecting ‘financial’ power into the pilot project of realizing the value of ecological products and building a ‘Fuzhou Model’ for green development.

In 2020, the Bank joined a number of green finance-related organizations to strengthen its cooperation and communication with external parties. In April 2020, the Bank officially signed the United Nations Principles for Responsible Banking (PRB) and joined the United Nations Environment Programme Finance Initiative (UNEP FI). The Bank became the first urban commercial bank in the central region, and the second commercial bank in the prefecture-level city in China to be listed on the main board of the Hong Kong Stock Exchange. The Bank insists on serving the requirements of ecological construction, setting up a specialized department for ecological finance, and carrying out early and pilot testing.

The Bank is committed to transforming the value of ecological products and injecting ‘financial’ power into the pilot project of realizing the value of ecological products and building a ‘Fuzhou Model’ for green development.

The Bank adheres to external cooperation in green finance, enriches the development concept, and draws a blueprint for the high-quality development of green finance.

The Bank insists on promoting the concept of green development, expanding the scope of influence of green finance, and promoting green development sharing and common construction.

Guided by the spirit of the Notice on Launching Ecological Ganpo·Banking and Insurance Peer Theme Promotion Month issued by the Banking and Insurance Regulatory Bureau of Jiangxi Province, the Bank prioritized the promotion of green finance and launched the theme of ‘Ecological Ganpo·Banking and Insurance Peer’ in May 2020. During the Publicity Month, it jointly held the ‘Green Finance Public Welfare Lecture in Soviet Region’ and published the ‘Green Finance Pamphlet of Bank of Jiujiang’ to promote the concept of green development from multiple perspectives and at multiple levels.
### Key Results and Performance

#### Environmental Key Performance Table

<table>
<thead>
<tr>
<th>Environmental Indicators</th>
<th>Units</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Green Finance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green Credit Balance</td>
<td>billions</td>
<td>11.763</td>
<td>8.40</td>
<td>2.96</td>
</tr>
<tr>
<td>Green Credit Clients</td>
<td>units</td>
<td>1079</td>
<td>636</td>
<td>91</td>
</tr>
<tr>
<td>Green Bond Holdings</td>
<td>billions</td>
<td>0.80</td>
<td>0.80</td>
<td>/</td>
</tr>
<tr>
<td>Green Bill Business Volume</td>
<td>list</td>
<td>13</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td>Amount of Green Notes</td>
<td>billions</td>
<td>1.453</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td><strong>Green Office Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Consumption of Head Office</td>
<td>tons</td>
<td>19216.00</td>
<td>16,259.00</td>
<td>14,147.00</td>
</tr>
<tr>
<td>Electricity Consumption of Head Office</td>
<td>10,000 kilowatt-hour (kWh)</td>
<td>266.10</td>
<td>249.95</td>
<td>219.89</td>
</tr>
<tr>
<td>Fuel Consumption of Head Office</td>
<td>litres</td>
<td>22228.64</td>
<td>20,408.16</td>
<td>14025.30</td>
</tr>
<tr>
<td>Paper Consumption of Head Office</td>
<td>ten thousand sheets</td>
<td>72</td>
<td>60.00</td>
<td>33.95</td>
</tr>
<tr>
<td>Video Conference of Head office</td>
<td>times</td>
<td>147</td>
<td>/</td>
<td>/</td>
</tr>
</tbody>
</table>

**Notes:**
1. The statistics for the first half of 2020 only reflect the situation at the head office.
2. Past years' data: 2018's data is only inclusive of the head office level, 2019's data covers the branch levels.
3. The balance of green credits is based on the special statistical caliber of green loans of the People's Bank of China.

### Planning and Objectives

In recent years, the Bank has continued to focus on green development and environmental risk management as a key strategic issue in the Bank's development and has actively explored research and practice in the field of green finance. With reference to international standards on sustainable finance and domestic regulatory requirements, taking into account the actual business and development of the Bank, and in response to the expectations of stakeholders, the Bank has set key objectives of green finance by 2020 and set up a green finance assessment and incentives. Resources are inclined to fully stimulate the internal momentum of green financial development.

#### Strategic Planning

Comprehensively deepen the construction of a green financial system.

#### Strategic Positioning

Becoming a ‘Green Finance Bank’

To establish green financial product innovation on all fronts.

Cultivate a green culture in the bank.
01 Comprehensively deepen the construction of a green financial system

- Take the concept of green development as the overall strategy and continuously improve the green financial governance structure;
- Strengthen the support of green financial policies to stimulate the internal momentum of green development.

Joined 3 domestic or international institutions, and established the first Ecological Finance Business Department in Jiangxi Province

The Principles for Responsible Banking
the Professional Committee on Green Credit Business of the China Banking Association
the Professional Committee on Climate Investment and Financing of the Chinese Society of Environmental Sciences

02 Increase green credit investment

Further expand the green credit internal fund transfer pricing preferences;

Incorporate ‘green finance business’ into the comprehensive performance appraisal of branch heads and give favorable business resources for green credit economic capital occupation:

40.12% The incremental green credit balance target for 2020 has been more than 200% achieved.

03 To establish green financial product innovation on all fronts

Green notes have been promoted and realized in Ganjiang New District, Jingdezhen, Yichun, Jiating and other places.

Implement work on green project financing
Implement work on the ‘green leasing’ business of green silver leasing
Promote and implement green commercial papers

The total amount of green leasing business has reached 545.816 million yuan.

04 Cultivate a green culture in the bank

- Conduct green finance training and guidance to improve the professional competence of employees;
- Organize green promotional activities to strengthen communication and cooperation.

Organized the Green Finance Theme Publicity Month, with more than 3,000 employees of the Bank deeply involved in the publicity activities, distributing 2,500 copies of promotional materials and reaching out to more than 10,000 individual customers

Online learning platform ‘Easy Leaning of Bank of Jiujiang’ set 2 green finance special training courses

10 issues of the ‘Bank of Jiujiang Green Finance Cases’ have been published on the Bank’s OA system

◆ Green Finance Hotspot Policy Analysis and Discussion of Business Direction
◆ Green Finance Business Fundamentals and Marketing Guidelines
◆ Each course has 30 minutes with a total of 409 readings and corresponding quiz questions
Environment-Related Governance Structure

2.1 The Board of Directors Level
2.2 The Management Level
2. The Board of Directors Level

Create a Leading GreenFinance Bank in Jiangxi Province

Adhering to the principle of regarding development as the theme, regarding reformation as the driving force, regarding the market as the orientation and customer-focused, the Bank is actively responding to the construction of the Ganjiang New District green finance reform and innovation pilot zone, accelerating the innovation of the green finance system, building the Bank’s green finance organization, culture and value system, and making the development of green finance an important part of the Bank’s operation and long-term planning. Based on this development route, the Bank has established a comprehensive top-down organizational structure in Jiangxi Province. Bank of Jiujiang has set up some relevant functional departments at the board of directors, management and branch levels, which has been the first bank that established a “Green Finance Business Department” as the head office to perform various duties. The Bank integrates the market positioning of “Green Finance Bank” into the organizational culture, explores own differentiation and green transformation and development, and strives to build the Bank into a leading green finance bank in Jiangxi Province.

Responsibilities of the Working Group

In January 2018, in order to take full advantage of the policies for the Green Finance Reform Pilot Zone and to speed up the Bank’s green finance system and innovation mechanism, the Bank established the Green Finance Leading Group, headed by the President and composed of the main heads of fourteen departments, of which the head of the Green Finance Business Department is also the Office Director. The Group is responsible for organizing meetings on green finance and overall planning and coordination of green financial services to better promote the development of the Bank’s green finance business. In March 2019, in order to accelerate the construction of a green, low-carbon and circular economy and to strengthen environmental and social risk management, the Bank established the Strategy Committee and entrusted it with the function of supervising and inspecting green financial development planning, approving, and supervising the formulation and implementation of green credit development strategies and objectives, as well as conducting research and making recommendations on other related major decision-making matters. The Committee is composed of three directors, including one chairman, who is responsible for chairing the Committee. The Committee is accountable to the Board of Directors and is responsible for assessing the reports provided by the Green Finance Leading Group, submitting materials to the Board of Directors for reviewing, monitoring, and inspecting the implementation of the Bank’s management in accordance with the Board of Directors’ resolutions to present the Bank’s commitment and contribution to the green finance development and other related issues such as climate and environmental protection.

Bank of Jiujiang Co., Ltd. | 2020 Environmental Information Disclosure Report
2. The Management Level

Management Structure
As the first financial institution in Jiangxi Province to set up a Green Finance Business Department, the Bank is actively implementing the concept of green development and has set up product innovation, business promotion, environmental and social risk management departments under the Green Finance Business Department. At the same time, the Bank has dedicated green finance posts at its head office and branches to develop green credit and other green financial products to provide more diverse green financial services for green projects and financiers.

Responsibilities of the Working Group

Established the First Green Finance Business Department within Jiangxi Province
On August 9, 2017, with the policy advantage of the Ganjiang New District in Jiangxi Province being approved as one of the first batches of green finance reform and innovation pilot zones in the country, the Bank took the lead in establishing the first Green Finance Business Department in the province. The Bank sets up a Green Finance Office under the Green Finance Business Department, which is responsible for undertaking the daily operations and management of green finance related work of the Green Finance Leading Group. The Strategy Committee is responsible for overseeing and supporting the development of the Ganjiang New District and the high-quality development of green finance in Jiangxi province through system building, business promotion, product innovation, exchange, and cooperation.

Established the First Ecological Finance Business Department within Jiangxi Province
On May 28, 2020, the Bank took the lead in establishing the first ecological finance business unit in Jiangxi Province, and the Ecological Finance Business Department of the Fuzhou Branch of Bank of Jiujiang was officially inaugurated. The Ecological Finance Business Department of Bank of Jiujiang Fuzhou Branch is committed to providing differentiated and specialized financial services for the realization of the city’s ecological values by leveraging the advantages of its specialized department’s concept, flexible mechanism, and rich products, as well as effectively converting ecological values, contributing more to exploring mechanisms for realizing the value of ecological products, and building a ‘Fuzhou Model’ for the construction of ecological civilization.

Established the only green branch in Yingtan City
On December 11, 2020, the Yingtan Supervision Branch of the China Banking and Insurance Regulatory Commission and the Financial Affairs Office of the People’s Government of Yingtan jointly issued a document to establish the Yingtan Branch of Bank of Jiujiang as the only green franchise banking institution at its level in Yingtan City. In the same month, the Yingtan Branch of Bank of Jiujiang established a green finance working group headed by the branch president. By improving the organizational system, enhancing the building of green finance capabilities, and continuously increasing the amount of green credit, it contributes to the green and low-carbon transformation of Yingtan’s economy.
Environment-Related Policies

3.1 External Policies
3.2 Internal Policies
3.1 External Policies

Accession to the Principles for Responsible Banking and compliance with international sustainable financial standards

In April 2020, our Bank became the first urban commercial bank in China to sign the United Nations Principles for Responsible Banking (PRB) and joined the United Nations Environment Programme Finance Initiative (UNEP FI). As the first urban commercial bank in China to sign the UN Principles for Responsible Banking (PRB), our Bank has integrated the United Nations Sustainable Development Goals (SDGs), the Paris Agreement, the Recommendations of the Task Force on Climate-related Financial Disclosures, and other international sustainable development and climate change response standards, integrating environmental, social and governance (ESG) issues into the ‘whole life cycle’ of operational management. Identifying, measuring, assessing, and measuring the environmental and social impact of loans, investments, and our own operations, and linking sustainable finance to objectives, measures, mechanisms, and progress.

In taking the signing of the Principles for Responsible Banking (PRB) as an opportunity, our Bank will continue to promote capacity building, deepen financial services, seize opportunities for sustainable development, and provide quality, strong and constant new financial impetus for building a prosperous, beautiful, happy, and modern Jiangxi and painting a new picture of reform and development in Jiangxi for the new era.

- Set targets for Green Credit growth, integrate the entire process of assessing and managing environmental and social risks into the company’s overall risk management framework and processes, and continuously strengthen the monitoring of environmental and social risks.

**Principle 1:** Coherence

**Principle 2:** Impact and Target Setting

**Principle 3:** Clients and Customers

**Principle 4:** Stakeholders

**Principle 5:** Corporate Governance and Bank Culture

**Principle 6:** Transparency and Responsibility

Our Bank is committed to integrating the Sustainable Development Goals (SDGs) and the Paris Climate Agreement into its growth strategy, asset structure, and product offerings, and to delivering on these commitments through effective corporate governance and responsible corporate culture.

Continually promote the innovation of green financial products, releasing the first national research results on ‘Green Notes,’ and launching a special product ‘Jiuyin Green Notes’ in March 2020 to realize the transformation of the research results on green notes.

Credit resources will be directed towards small and medium-sized enterprises involved in green credit and green technology-based enterprises with core competences. Focus on selecting high-quality clients who can pragmatically bring long-term strategic benefits.

Through a combination of regular and real-time communication to ensure that the concerns and priority needs of stakeholders in green development are timely and fully understood and take measures to respond them.

Adequate risk mitigation measures are taken for clients with significant environmental and social risks, through implementing credit risk management. Establish an adequate and effective communication mechanisms for stakeholders.

Green Finance Bank is written into the bank’s corporate culture manual as its strategic positioning.

Optimize the green finance organizational structure and elevate the development of green finance to a strategic level at the level of the Board of Directors; establish a green finance leading group to specifically promote green finance work.

Regularly conduct green credit training to train and introduce relevant professionals.

Implement green office management practices throughout the bank to strengthen the sustainable development of green operations.

Regularly disclose green finance development strategies and related policies and fully disclose the current status of green finance development. The ESG reports for 2018 and 2019 have continuously been released publicly.

For actions affecting the granting of credit that have significant environmental and social risk impacts, supervision by the market and stakeholders should be accepted using the relevant information in accordance with laws and regulations.

Engage a qualified and independent third party to authenticate the ESG report.
Responding to the Top-Level Design of Green Finance and Practicing the Concept of High-Quality Development

Green finance is one of the important driving forces for China’s high-quality economic development. In recent years, China’s relevant regulatory agencies have issued policy documents to regulate and manage the types of industries and industrial projects covered by green finance, further clarifying the scope of green finance. The development of green finance in China is mainly divided into three stages:

- **Initial development (2007—2011)**
  - Mainly in the carbon emissions trading pilot, green lending guidelines, the establishment of green credit statistical system, and the promotion of the environmental pollution liability insurance pilot.
  - In July 2014, China’s Green Finance Working Group put forward the ‘fourteen recommendations on the construction of green financial system.’

- **Deepening development (2011—2014)**
  - On August 31, 2016, the People’s Bank of China and seven other ministries jointly issued the Guidance on Building a Green Financial System, which marks the introduction of green finance programmatic documents. Through the ‘top-level design’ as a basis to follow, with coherence of the green finance development strategy used to make China’s green finance business achieve significant progress and rapidly increase green finance market activity.

- **Comprehensive promotion (2016)**
  - During which a number of specific measures to promote green credit, green securities and green insurance were introduced. The main contents of this included encouraging green credit, environmental verification of listed companies, and environmental pollution liability insurance pilot.

Bank of Jiujiang regards the General Plan for the Reform of Ecological Civilization System by the Central Committee of the Communist Party of China and the State Council, the Guidance on Building a Green Financial System and the General Plan of Building a Green Finance Reform and Innovation Pilot Zone in Ganjiang New District of Jiujiang Province by the People’s Bank of China and seven other ministries, the Thirteenth Five-Year Plan for Building a Green Financial System in Jiujiang Province and Implementation Suggestions on Accelerating the Development of Green Finance by the Jiujiang Provincial People’s Government and other relevant requirements for the overall development of green finance as the guidelines. Taking the policy advantage of Ganjiang New District has been approved as one of the first batch of green finance reform and innovation pilot zones around the country, the Bank always focuses on the requirements to improve the green finance service system and mechanism, makes efforts to develop green finance and supports green development of Jiujiang Province from system construction, business promotion, exchanges and cooperation and other aspects.

Responding to Green Credit Policies and Innovating Green Credit Products

According to the relevant green credit policies and systems of the People’s Bank of China and the China Banking and Insurance Regulatory Commission, Bank of Jiujiang vigorously develops green credit and innovates green credit products. The Bank has launched a special green credit product ‘Green Home Loan’ to support the construction of urban and rural sanitation projects. This product is in the response of Notice on Comprehensively Carrying out Domestic Waste Classification in Cities at the Prefectural Level and Above by the Ministry of Housing and Urban-Rural Development and other departments to make sure the completion of waste classification and to benefit the green enterprises, to promote a better future and build a green home. At the same time, under the guidance of relevant policies such as the Guiding Opinions on the Banking and Insurance Industry Supporting the Construction of Ecological Civilization in Jiujiang by the Jiujiang Provincial Banking and Insurance Regulatory Bureau and the Fuzhou Ecological Product Value Realization Mechanism Pilot Program by the Jiujiang Provincial Development and Reform Commission, the Bank has assisted the pilot reform of Fuzhou’s ecological product value realization mechanism by increasing green credit investment, innovating green credit products, and establishing an ecological finance business department.

Three green finance products of the Bank (‘Green Home Loan’, ‘Hand-in-Hand Wealth Management’, ‘Jiuyin Green Commercial Paper Finance’) have been selected into the Selection of Green Finance Products of Jiangxi Banking and Insurance Institution, which is the only selected financial institutions with various green finance products in Jiujiang Province.

Deeply Involved in Commercial Paper Research, Actively Helping Policy Implementation

As a pilot bank for green commercial papers, Bank of Jiujiang has deeply participated in the preliminary research work of green commercial papers. With the guidance of Guidelines for the Identification and Management of Green Commercial Papers in Jiangxi Province (Trial Implementation), Notice On the Use of Rediscount Tools and other relevant documents, the Bank combined the research results of green commercial papers and issued Management Measures of ‘Jiuyin Green Commercial Paper Finance’ of Bank of Jiujiang (Trial Implementation). The Bank set up a special promotion group for green commercial papers to fully promote the implementation of green commercial papers by opening green channels for green commercial papers, reducing and exempting billing fees, and reducing discount rates.

Implementing Related Policies of Green Finance Products to Assist Enterprises in Green Financing

Under the guidance of relevant policies such as the Announcement on Issuing Green Finance Bonds in the Interbank Bond Market and the Notice on Strengthening the Supervision and Management of the Duration of Green Finance Bonds by the People’s Bank of China, Bank of Jiujiang combined the advantages in optimizing resource allocation to help enterprises in Jiujiang Province to innovate green technology. On July 3, 2018, the Bank officially issued a 4 billion fixed-rate green finance bonds to raise low-cost and long-term funding for green credit projects. The funding were invested in six categories: energy conservation, pollution prevention, resource conservation and recycling, clean transportation, clean energy, ecological protection, and climate change adaptation. It strongly supported the financing of green enterprises in Jiujiang Province and promoted green finance business development in Jiujiang Province. At the same time, the Bank launched the country’s first green finance leasing platform ‘Green Bank Leasing’, providing effective and innovative ideas for corporate green financing models.
3.2 Internal Policies

In order to establish and improve the Bank's environmental and social risk management system and enhance its environmental and social performance, the Bank formulated the Bank of Jiujiang's Green Finance Business Attributes Recognition Criteria, Bank of Jiujiang's Green Credit Management Measures, Bank of Jiujiang's Green Credit Statistics Management Measures, Bank of Jiujiang's Green Credit Management Implementation Rules, Bank of Jiujiang's Measures for the Management of Green Finance Bond Proceeds, Bank of Jiujiang's Jiuang Green Note Financing Business Management Measures (Trial), and other green finance policies. These policies clarify the business scope of green credit, green commercial papers, green bonds, and other green financial products, and continuously improve relevant management mechanisms to better serve the real economy. The Bank of Jiujiang actively establishes the concept of low-carbon finance and green credit within the scope of the bank, conducts consensus-building and pilot testing, maintains innovation, and promotes the rapid development of green finance to establish a green financial development road with Jiujiang characteristics.

By increasing support for the green economy, low-carbon economy, and circular economy, optimizing the credit structure and increasing the innovation of green financial products, the Bank continues to accelerate the construction of green finance to help the Jiangxi local economy achieve high quality and sustainable development to further contribute to the construction of a beautiful China and the sustainable development of the Chinese nation.

Overview of Bank of Jiujiang's Key Policies

In 2020, the Bank issued relevant policy plans for credit development, made requirements for accelerating the layout of green finance. The Bank regarded the development of green finance as an important direction of the Bank's strategy, and laid out three aspects of "green production, green life, and green ecology" to achieve the "double increase" in the balance of green credit and its proportion in various loans. By promoting the implementation of preferential policies and green financing tools such as green line guarantees, green channel approvals, etc., the Bank effectively highlights green characteristics and performs social responsibilities.

In terms of green production, the Bank focuses on supporting the energy-saving and environmental protection industries, clean production industries and clean energy industries, promotes green technological innovation, and actively supports the coordinated development of upstream, downstream, and downstream green industries.

In terms of green life, the Bank focuses on the main areas that the government and the public concern about, such as residential utilities, waste classification, plastic pollution and storage. The Bank also increases the green consumption credit such as green residential mortgages, new energy vehicle purchases, and green energy-saving purchase purchases.

In terms of green ecology, the Bank seizes the opportunity of green infrastructure construction to 'make up for shortcomings' and seeks credit cooperation opportunities in green buildings (including prefabricated buildings, ultra-low energy buildings, energy-saving and green renovation of existing buildings, etc.), green transportation (including urban and rural public transportation, intelligent transportation system, railway construction and operation, etc.), urban and rural environmental improvement and green purchase by the government and state-owned enterprises.
4.1 Environmental Risk Impacts of the Bank

4.2 Environmental Risk Management and Processes of the Bank
4.1 Environmental Risk Impacts of the

Identification of Environmental Risks and Opportunities

Environmental risk: an actual or potential threat of adverse effects on living organisms and the environment due to wasted water, emissions, waste, resource depletion, etc., resulting from organizational activities.

According to the Task Force on Climate-Related Financial Disclosures (TCFD) classification of financial risks from climate change and environmental risks, environmental risks can be specifically categorized into physical risks and transformation risks. Among them, physical risk represents the financial risk of failing to effectively address climate change and environmental damage, while the transformation risk represents the risk of financial system inadaptation due to effective policies and actions taken by the public or private sector to address climate change and environmental protection.

<table>
<thead>
<tr>
<th>Risk/Opportunity Factor</th>
<th>Risk/Opportunity Description</th>
<th>Time Scope Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Risks - extreme weather events such as heavy rain, flooding, etc.</td>
<td>Extreme weather events can affect business continuity, including impacts on the Bank’s branches, office space, information network and other infrastructure.</td>
<td>Short term</td>
</tr>
<tr>
<td>Physical Risks - natural risk</td>
<td>The Bank’s profit and loss may be further affected by natural risks (including unforeseen events and chronic contamination) resulting in the loss of property or interruption of operations of the investment/granting entity.</td>
<td>Long term</td>
</tr>
<tr>
<td>Transformation Risks - policies and regulations</td>
<td>Institutions that fail to grasp the policy direction in time to transform their business will face policy and regulatory risks due to the introduction and issuance of environment-related standards and a series of rules and regulations for banks at domestically and abroad.</td>
<td>Medium term and long term</td>
</tr>
<tr>
<td>Transformation Risks - science and technology</td>
<td>Under the influence of environmental risks, existing assets are forced to undergo transformation or develop energy-efficient products and technologies, and the bank’s income may be affected by extra costs incurred by the bank’s credit targets due to the transformation or revenue decline caused by the delayed transformation. At the same time, the bank replaces existing products and services with low-emission options, and pays a certain amount of R&amp;D expenditure on the front-end of new and alternative technologies, which requires additional front-end costs of adopting/deploying new operations and processes.</td>
<td>Medium term</td>
</tr>
</tbody>
</table>

Regional Scope Impact Stakeholders Impact Financial of Strategic Impact Response of the Bank

<table>
<thead>
<tr>
<th>Risk</th>
<th>Stakeholders Impact</th>
<th>Financial of Strategic Impact</th>
<th>Response of the Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationwide</td>
<td>Clients</td>
<td>Decline of revenues</td>
<td>Take environment risk into account in the credit asset granting process.</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Company operations</td>
<td>Higher operating costs and lower revenues</td>
<td>Continuously pay attention to the changes of international and domestic environment-related policies, and set up the Green Finance Business Department, which is specifically responsible for policy formulation, business promotion, communication and cooperation on green finance, and environmental management within the Bank.</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Company operations, Customers</td>
<td>Higher operating costs and lower revenues</td>
<td>Continuously pay attention to the market demand of low-carbon transformation, provide existing customers with preferential loans for low-carbon transformation technology and equipment, and assist customers in transformation and upgrading. At the same time, the bank optimized the system support of green credit business in the front end, revised and completed the credit system renovation according to the green loan statistical system of the People’s Bank of China.</td>
</tr>
</tbody>
</table>

Since the beginning of the 21st century, environmental risks have increasingly taken on new characteristics, including the gradual increase in the scale, scope and frequency of related events, and the continuous rise in the correlation between various risks, which has had a significant impact on the assets and liabilities of financial institutions. For example, the impact of chronic climate change and extreme weather events, as well as the risks associated with the transition to a low-carbon economy, such as policies and regulations, market demand, technological advances and reputation risks, will affect the value of the financial institutions’ own assets and the ability of its customers to repay loans, thereby exacerbating credit risk.

In early 2020, the Bank for International Settlements (BIS) proposed the concept of the ‘Green Swan Event’, which was the first systematic discussion on environmental and climate issues that could result in a financial crisis. Environmental risks have been brought into investors’ sight and the BIS encourages all financial institutions including central banks around the world to strengthen the prevention of environmental risks. In order to fully understand the risks and opportunities brought about by climate change and its impact on our financial and strategic planning, the Bank, under the leadership of our internal Green Finance Leading Group, has identified and assessed the risks and opportunities related to the environment based on our own business characteristics, the main stakeholders, and the scope of the business, and has taken a series of countermeasures based on internal policy guidelines and external market demand.
### Risk/Opportunity Factor

<table>
<thead>
<tr>
<th>Risk/Opportunity Factor</th>
<th>Risk/Opportunity Description</th>
<th>Time Scope Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformation Risks - market</td>
<td>With the development of sustainable investment, investors are becoming more concerned about the impact of climate change on investment assets and the corresponding risk management and increasing their demand for relevant green financial products. If banks do not take appropriate action, institutional investors may question the bank's ability to manage environmental risks, which may lead to withdrawals.</td>
<td>Medium term</td>
</tr>
<tr>
<td>Transformation Risks - reputation</td>
<td>High pollution enterprises generally have a lower ability to address climate risks with and have reputational risks. If a high polluting enterprise that is financed by a bank has negative news, the overall reputation of the company could be affected and institutional investors who are concerned about environmental risks could withdraw their investments.</td>
<td>Long term</td>
</tr>
<tr>
<td>Opportunity</td>
<td>The bank uses recycling technologies in its daily operations to reduce water consumption and participates in renewable energy investments and financing projects, etc.</td>
<td>Medium term</td>
</tr>
<tr>
<td>Products, Services &amp; Market</td>
<td>Banks develop and/or expand low-emission goods and services, provide solutions for climate adaptation and insurance risks, and guide and nurture responsible investors.</td>
<td>Medium and long term</td>
</tr>
</tbody>
</table>

### Regional Scope Impact

<table>
<thead>
<tr>
<th>Stakeholders Impact</th>
<th>Financial of Strategic Impact</th>
<th>Response of the Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationwide</td>
<td>Customers, Shareholders</td>
<td>Withdrawals by investors</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Customers, Shareholders</td>
<td>Withdrawals by investors</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Company operations</td>
<td>Lower operating costs</td>
</tr>
<tr>
<td>Nationwide</td>
<td>Customers, Shareholders</td>
<td>Increase in new funding sources and improve the demands for new products</td>
</tr>
</tbody>
</table>

### Response of the Bank

Consider green finance as an important part of the Bank's development strategy, continuously increase green credit investments, and continue to innovate and develop green financial products and ecological value products.

Signed the United Nations Principles for Responsible Banking (PRB) and joined the United Nations Environment Initiative (UNEP FI), actively build the image of sustainable and responsible banking.

Implement the measurements of green office management to conserve water, electricity, and fuel in daily working processes to improve resource efficiency and reduce carbon emissions.

The Bank continues to innovate green financial products and services, launched a special product called ‘Jiuyin Green Commercial Papers Financing,’ and established the first Ecological Finance Business Department in the Jiangxi Province to actively create ecological value realization products.
Environmental Issues

Based on the four principles of materiality, inclusiveness, sustainability, and completeness of the Global Reporting Initiative (GRI) Guidelines and considering the environment-related objectives of the UN Sustainable Development Goals (SDGs) in conjunction with the Guidelines for Environmental Information Disclosure by Financial Institutions (Trial) of the Financial Standardization Technical Committee of the People’s Bank of China, the Principles for Responsible Banking (PRB) of the United Nations Environment Programme Finance Initiative, and the guidelines for financial institution environmental information disclosures in the Recommendation Report of the Working Group on Task Force on Climate-related Financial Disclosures (TCFD), the Bank identifies environmental issues that reflect significant environmental impacts or have substantial impacts on stakeholders’ assessment and decision making through a 594 question survey. The main identification steps are as follows: firstly, the major environmental issues are screened out through the questionnaire survey; secondly, these issues are confirmed and supplemented by the heads of the third-party professional organizations; finally, they are submitted to the relevant heads of the Green Finance Business Department for joint resolution. The specific processes of evaluation and identification are as follows:

1. **Identification**
   - Through the distribution of questionnaires, the degree of stakeholders’ interest in environmental issues and the impacts on Bank of Jiujiang’s business activities were identified in the first half of 2020, including environmental objectives and strategic planning, environmental governance structure, environmental compliance management, green financial products, green industry investment and financing, climate change and carbon management, environmental risk analysis, environmental information transparency, green culture construction, green office, green cooperation, communication and dissemination, green international principles, green public welfare, and biodiversity.

2. **Prioritization**
   - After the report is completed, the Green Finance Business Department will conduct a final review and audit to examine whether there are any inappropriate or inaccurate representations on environmental issues and related performance. In addition, the identification of significant issues and feedback from stakeholders will serve as important references for information disclosure in the next reporting cycle.

3. **Validation**
   - Once significant issues are identified, the head of the Green Finance Business Department and a third-party professional organization will work together to confirm the significance of the topic and further assess the boundaries of the significant topic for internal and external consideration, ensuring that important environmental issues have been fully disclosed in this report.

Considering the internal and external stakeholders’ interest in 14 major environmental issues, based on the results of the questionnaire survey, the most important issues to internal and external stakeholders of our bank are green industry investments and financing, green financial products, environmental compliance management, environmental risk analysis and environmental objectives, and strategic planning. Therefore, in this report, we have strengthened the disclosure of information on our performance, which will serve as an important reference for our green development strategy for the next reporting year.
<table>
<thead>
<tr>
<th>Significant Environmental -Related Issues</th>
<th>Corresponding to SDGs Objectives</th>
<th>Corresponding to the International Standards (GRI/PRB/TCFD)</th>
<th>Mainly Involved Internal Stakeholders</th>
<th>Mainly Involved External Stakeholders</th>
<th>Our Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Governance Structure</td>
<td>GRI 102-20: Responsibility of Senior Management for Economic, Environmental, and Social Themes. PRB Principle 5: Corporate Governance and Banking Culture. TCFD Disclosure Recommendation 1: Governance</td>
<td></td>
<td></td>
<td></td>
<td>Section II of this report</td>
</tr>
<tr>
<td>Environmental Compliance Management</td>
<td>GRI 102-16: Value, Principles, Standards and Codes of Conduct and 307-1: Violation of Environmental Regulations PRB Principle 5: Corporate Governance and Banking Culture. TCFD Disclosure Recommendation 1: Governance</td>
<td></td>
<td></td>
<td></td>
<td>Section III of this report</td>
</tr>
<tr>
<td>Green Finance Products</td>
<td>GRI 102-2: Events, Brands, Products, and Services PRB Principle 3: Clients and Customers</td>
<td></td>
<td></td>
<td></td>
<td>Section VI, VII of this report</td>
</tr>
<tr>
<td>Green Industry Investment and Financing</td>
<td>GRI 102-2: Events, Brands, Products, and Services PRB Principle 3: Clients and Customers</td>
<td></td>
<td></td>
<td></td>
<td>Section VI of this report</td>
</tr>
<tr>
<td>Climate Change and Carbon Management</td>
<td>GRI 201-2: Financial Implications of Climate Change and Other Risks and Opportunities PRB Principle 2: Impact and Target Setting TCFD Disclosure Recommendation 3: Risk Management</td>
<td></td>
<td></td>
<td></td>
<td>Section IV of this report</td>
</tr>
<tr>
<td>Green Culture Construction</td>
<td>GRI 102-37 Stakeholder Engagement PRB Principle 5: Corporate Governance and Banking Culture</td>
<td></td>
<td></td>
<td></td>
<td>Section V, VII of this report</td>
</tr>
<tr>
<td>Green Office</td>
<td>GRI 303: Water and 305: Discharges PRB Principle 5: Corporate Governance and Banking Culture TCFD Disclosure Recommendation 4:2: Disclose Scope 1, Scope 2, and Scope 3 Greenhouse Gas (GHG) Emissions (if applicable).</td>
<td></td>
<td></td>
<td></td>
<td>Section V of this report</td>
</tr>
<tr>
<td>Green Cooperative Communication and Advocacy</td>
<td>GRI 102-12: External Initiatives PRB Principle 5: Corporate Governance and Banking Culture</td>
<td></td>
<td></td>
<td></td>
<td>Section VI of this report</td>
</tr>
<tr>
<td>Green International Principles</td>
<td>GRI 102-13: Membership in the Public/Association Sector PRB Principle 1: Coherence</td>
<td></td>
<td></td>
<td></td>
<td>Section VII of this report</td>
</tr>
<tr>
<td>Green Public Welfare</td>
<td>GRI 102-2: Events, Brands, Products and Services PRB Principle 5: Corporate Governance and Banking Culture</td>
<td></td>
<td></td>
<td></td>
<td>Section V, VII of this report</td>
</tr>
</tbody>
</table>
For banking financial institutions, environmental risks will reduce the operating income of enterprises by affecting the sale of their products, which will further affect their profitability, cash flow, and repayment ability. This will further increase the default rate and the credit risk. In addition, physical assets as collateral may also be damaged and destroyed from the risk of physical shocks brought about by climate change, the risk mitigation of project loans will be significantly reduced, and the default loss rate will be further increased. Therefore, in order to further establish a sound environmental and social risk management system, effectively control the potential impact of environmental risks, better serve the real economy, and continuously deepen green finance, the Bank has formulated the Green Credit Management Measures of Bank of Jiujiang, Green Credit Management Implementation Rules of Bank of Jiujiang and a series of guidelines in recent years in accordance with the latest domestic regulatory requirements. A series of relevant policies and guidelines are issued to increase support for the green, low-carbon and circular economies, and to optimize the credit structure. In addition, the Bank has incorporated the assessment and management of environmental and social risks into its overall risk management framework and processes, including due diligence, project environmental risk assessment, credit rating, review and approval, contract signing, and other aspects of environmental and social risk monitoring. On an ongoing basis, we will continue to improve our ability to innovate and drive innovation in green credit processes, products, and services.

Scientific and reasonable standards for assessing the environmental and social risks of clients are formulated, and the environmental and social risks of clients are dynamically assessed and classified, with the relevant results serving as an important basis for their ratings, credit access, management, and exit. In addition, customers with significant environmental and social risks are managed under a list system, with enterprises or projects on the list of enterprises with backward production capacity announced by the Ministry of Industry and Information Technology, the National Energy Administration, and provincial authorities included in the list management. Customers with poor environmental and social performance will be rejected by one vote.

Scientifically proceed with environmental and social risk

Differentiated risk management measures are adopted during pre-lending diligence, lending review, and post-lending inspection. For some industries with restrictive state regulation and significant environmental and social risks, special credit guidelines are formulated and differentiated, and dynamic credit policies and risk exposure management systems are implemented. It is divided into five stages: due diligence, review and approval process, contract signing, fund disbursement and post-credit management.

Adequate risk mitigation measures for clients are included in the environmental and social risk management list, including the formulation and implementation of major risk response plans, the establishment of adequate and effective stakeholder communication mechanisms, and the seeking of third-party sharing of environmental and social risks.

### 4.2 Environmental Risk Management and Processes of the Bank

For banking financial institutions, environmental risks will reduce the operating income of enterprises by affecting the sale of their products, which will further affect their profitability, cash flow, and repayment ability. This will further increase the default rate and the credit risk. In addition, physical assets as collateral may also be damaged and destroyed from the risk of physical shocks brought about by climate change, the risk mitigation of project loans will be significantly reduced, and the default loss rate will be further increased.

Therefore, in order to further establish a sound environmental and social risk management system, effectively control the potential impact of environmental risks, better serve the real economy, and continuously deepen green finance, the Bank has formulated the Green Credit Management Measures of Bank of Jiujiang, Green Credit Management Implementation Rules of Bank of Jiujiang and a series of guidelines in recent years in accordance with the latest domestic regulatory requirements. A series of relevant policies and guidelines are issued to increase support for the green, low-carbon and circular economies, and to optimize the credit structure. In addition, the Bank has incorporated the assessment and management of environmental and social risks into its overall risk management framework and processes, including due diligence, project environmental risk assessment, credit rating, review and approval, contract signing, and other aspects of environmental and social risk monitoring. On an ongoing basis, we will continue to improve our ability to innovate and drive innovation in green credit processes, products, and services.
The Impact of Business Activities on the Environment

5.1. Greenhouse Gas Emissions and Related Risk

5.2. Effects of the Bank’s Environmental Protection Measures

5.3 Calculation of Environmental Impact of Business Activities
5.1 Greenhouse Gas Emissions and Related Risks

Direct and Indirect Greenhouse Gas Emissions from Operating Activities in the First Half of 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Direct Greenhouse Gas Emissions (Scope 1)</th>
<th>Indirect Greenhouse Gas Emissions (Scope 2)</th>
<th>Total Greenhouse Gas Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions</td>
<td>57.14 (ton carbon dioxide equivalent)</td>
<td>1398.9 (ton carbon dioxide equivalent)</td>
<td>1456.03 (ton carbon dioxide equivalent)</td>
</tr>
</tbody>
</table>

Note: 1. The statistics for 2020 only reflect the situation in the head office.
2. Direct greenhouse gas emissions (Scope 1) include gasoline usage in official vehicles.
3. Indirect greenhouse gas emissions (Scope 2) include greenhouse gas emissions from electricity consumption. The data source is the payment slips and administrative statistics accounts of related expenses.
4. The total amount of greenhouse gas is the sum of the total amount of direct greenhouse gas emissions in Scope 1 and the total amount of indirect greenhouse gas emissions in Scope 2.

Natural Resource Consumption from Operating Activities in the First Half of 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Fuel consumption of financial institutions’ own transportation vehicles (liters)</th>
<th>Electricity consumed by business and office (10,000 kWh)</th>
<th>Paper used in business and office (10,000 sheets)</th>
<th>Fuel consumed by purchased heating and cooling services (liter)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22228.64</td>
<td>266.10</td>
<td>72</td>
<td>0</td>
</tr>
</tbody>
</table>

5.2 Effects of the Bank’s Environmental Protection Measures

Green Office

In order to strengthen the management of energy saving and consumption reduction, improve energy utilization efficiency, achieve the sustainable development goals of energy saving, consumption reduction, environmental protection, cost reduction and efficiency increase, and help build the ‘Green Financial Bank in Jiangxi,’ the bank formulated the Measures of Green Office Management of Bank of Jiujiang (Trial Implementation), which aims to save resources in office activities, reduce the direct and indirect losses of water, electricity, paper, oil and other energy sources, improve energy efficiency, and protect the environment.

Power Saving Management

By strengthening the management of lighting equipment, air conditioners, office equipment, elevators and other electrical equipment, the bank requires all employees of the bank to use them as needed according to the actual internal and external conditions, promptly update various facilities, actively use power-saving equipment, and advocate this for daily work with low energy consumption.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting Management</td>
<td>Turn on the lights as needed according to the actual situation; do not turn on the lights when the natural light is sufficient; turn off the lights immediately after leaving the office for an extended period of time or after getting off work; it is strictly forbidden to pull the curtains to block the sunlight and turn on the lights; turn off the lights when there are a few people.</td>
</tr>
<tr>
<td>Air Conditioning Management</td>
<td>Temperature management: The indoor air-conditioning temperature setting in summer shall not be lower than 26℃, the indoor air-conditioning temperature setting in winter shall not be higher than 18℃.</td>
</tr>
<tr>
<td>Office Equipment Management</td>
<td>Usage of computers, printers, photocopiers and other equipment; turn off the power in time when not in use for a long time; set the device to a low energy consumption state when not temporarily being used, reduce the brightness of the display as much as possible to reduce the sleep time of the display; turn off the display and wiring board when shutting down after getting off work.</td>
</tr>
<tr>
<td>Usage of Elevator</td>
<td>Try to minimize the use of elevators; it is recommended to take the stairs below 4th floor.</td>
</tr>
</tbody>
</table>
### Water Saving Management

The Bank strengthened water resources management by formulating specifications for the use of faucets, drinking water, water equipment and other facilities, and put forward reasonable water using requirements for employees in the bank to reduce unnecessary consumption of water resources.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Items</th>
</tr>
</thead>
</table>
| Usage of water | • Usage of faucet: open as you use it, try to open as little as possible to prevent excessive ‘flowing water’.  
• Usage of drinking water: Take only as much as needed to eliminate waste.  
• Usage of water pipe network and other equipment: regular maintenance to prevent running and dripping. |

### Material Saving Management

The Bank actively responded to the policies for waste sorting and recycling of recyclable resources, promoted paperless office in the industry, advocated reasonable planning of employees, saved paper, reduced the frequency of paper use, and improved the efficiency of paper use.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Items</th>
</tr>
</thead>
</table>
| Promote Paperless Office | • Make full use of network resources to transmit, except for important materials, use electronic versions as much as possible for various internal reporting materials.  
• Do not print or copy materials which are not related to work.  
• Employee business cards are printed on renewable paper. |
| Reasonable Usage of Paper | • Stick to double-sided printing, or print the reverse side of waste paper.  
• Reasonably arrange the number of subscriptions to paper newspapers.  
• Properly print all kinds of promotional materials to prevent a large inventory backlog. |
| Reduce the Use of Disposable Products | • Do not use or use less disposable tableware and water cups, and encourage employees to bring their own;  
• Actively use electronic display screens and projections, reduce the use of banners, inkjets, etc.; |
| Encourage Recycling and Reuse | • Strengthen the recycling of waste resources such as waste paper, waste office supplies, and waste electronic equipment.  
• Collect and encourage the reuse of reusable paper products, such as briefcases, envelopes, etc.;  
• Carry out garbage classification, distinguish recyclable resources from other office garbage, and ensure secondary use. |

### Food Saving Management

The Bank strictly performs food saving and eliminates food wasting.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food on demand</td>
<td>• Advocate the style of civilized eating habits and eliminate waste.</td>
</tr>
<tr>
<td>Recycling of leftovers</td>
<td>• Don’t discard them randomly, put them in the designated dins.</td>
</tr>
</tbody>
</table>

### Fuel Saving Management

The Bank strictly implements relevant national regulations, strengthens vehicle management and fuel management across the bank. At the same time, the Bank strengthens employees’ publicity and education, and advocates green travel.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Items</th>
</tr>
</thead>
</table>
| Reasonable Use of Cars | • Reasonably arrange vehicle travel routes and personnel allocation to reduce empty driving mileage and improve vehicle efficiency.  
• Adhere to the principle of working in the same direction and not repeating the dispatch of cars. |
| Strengthen Vehicle and Fuel Management | • Regularly repair and maintain the vehicle, check the condition of the vehicle, and replace the relevant equipment on time for fuel vehicles.  
• Vehicles with high fuel consumption, poor vehicle conditions, and exhaust emissions that do not meet the standards should be phased out, and vehicles that meet the scrapping standards should be scrapped.  
• Add new official vehicles to encourage the purchase of energy-saving and environmentally friendly small-displacement vehicles.  
• Strengthen the fuel management of official vehicles and implement the IC card fixed-point refueling system. |
| Actively Carry out Employee Publicity and Education | • Carry out publicity and education on oil conservation to enhance employees’ sense of responsibility for energy conservation;  
• Encourage employees to prioritize taking public transportation when traveling on official business. |
Green Promotion

Guided by the spirit of the Jiangxi Provincial Banking and Insurance Regulatory Bureau’s Notice on Launching ‘Ecological Ganpo·Banking and Insurance Peer’ Theme Promotion Month, the Bank attaches great importance to the promotion of green finance. On May 28, 2020, the Bank issued the Notice on Deepening the Promotion of ‘Ecological Ganpo·Bank and Insurance Peer’ Theme Promotion Month (Jiuyin Office [2020] No. 342), requesting branches to raise awareness and strengthen leadership and strictly implement green finance publicity and promotional work. The activity is carried out to make full use of the internet, newspapers, televisions, publicity boards, and other media to carry out various publicity activities such as entering the community, the street, the park, the enterprise, etc., and introducing the bank to the public from multiple perspectives, levels, and channels. The effectiveness of green finance development, promotion of green finance products, and industry experience and practices.

Online

- Use the company’s official WeChat account to push 19 green finance tweets.
- 10 issues of Green Finance Case of Bank of Jiujiang have been published on our OA system
- 2 green finance special training courses have been launched on the bank's online learning platform ‘Easy Leaning of Bank of Jiujiang’ with each course being 30 minutes long with a total of 409 readings and corresponding test questions attached.

Newspaper and Media

- More than 60 green finance campaigns have been promoted through more than 20 media channels such as the Power of Learning and China News Network.

- 274 business branches are the main places for publicity and education; guarantee the quality and effectiveness of publicity and achieve 100% coverage of publicity branches
- More than 3,000 employees are deeply involved in publicity activities; publicize and popularize more than 10,000 individual customers.
- A total of 2500 promotional materials have been distributed.

Intensively organized and carried out centralized publicity activities such as entering the community, entering the street, entering the enterprise, and popularizing more than 550 corporate customers.
- More than 100 people from all walks of life participated in the green finance public welfare lectures in the ‘Su District Green Finance Public Welfare Lecture Hall’.

Communication in the Industry, Demonstration and Guidance

During the promotional activities, the Bank used LED scrolling screens to display green finance slogans, played the Bank’s garbage classification theme promotional video, posted green finance posters, and stationed managers to answer questions about green finance for customers, and other forms to carry out all-round publicity.


Through case studies and internal training, the Bank has published three issues of Green Finance Case of Bank of Jiujiang on the OA system. The Bank’s learning platform ‘Easy Leaning of Bank of Jiujiang’ launched two special green finance training courses, ‘Green Finance Hotspot Policy Analysis and Business Direction Discussion’ and ‘Green Finance Basic Knowledge and Marketing Guidelines’ which effectively publicized green finance policies, products, results and related knowledge to the public, expanding the reach of the green finance audience.

Bank Branches:
- 274 business branches are the main places for publicity and education.
- Ensure the quality and effectiveness of publicity and achieve 100% coverage of publicity branches.

Personnel:
- More than 3,000 employees of Bank of Jiujiang participated in the promotion activities.
- Publicize and popularize more than 10,000 individual customers.

Propaganda:
- A total of 2500 promotional materials have been distributed.
Media Assistance, Real-Time and Comprehensive

The Bank actively contributed articles to the official WeChat accounts of the financial management departments such as the Jiangxi Banking and Jiujiang Bank and Insurance Home, and posted a total of thirteen green finance tweets. It has been published on more than twenty media sites such as Learning Power, China News Network, and China Net Finance with more than sixty advertisements about green finance. The Bank made full use of credibility and authority of newspapers and periodicals, as well as the universality and immediacy of online media, and actively promoted it to further expand the scope of influence of this activity.


2. Bank of Jiujiang submitted a paper to the official account of the financial management department.

Enter the Community and Enterprise, Focus on Publicity

Institutions at all levels of the Bank organized and carried out in-depth publicity activities such as entering the community and entering the enterprise, accurately meeting the needs of green finance, providing personalized, differentiated, and integrated financial service solutions to effectively meet the needs of financial services, and reaching more than 550 corporate customers.

On June 30, 2020, the Bank and Gannan Normal University Finance Master Education Center held the ‘Soviet District Green Finance Public Welfare Lecture’ activity. More than 100 people from all sectors of society participated in the green finance public welfare lecture. The Nanchang Municipal Government, the Provincial Local Financial Supervision and Administration Bureau, and relevant departments jointly organized the ‘Show the Provincial Capital’s Responsibility and Build Strength in Nanchang’ financing matchmaking meeting.

As one of the nine financial institutions invited to participate in the province, the Bank signed a strategic cooperation agreement with the Nanchang Municipal Government on the spot. According to the agreement, in the next five years, the Bank of Jiujiang will invest an additional 60 billion yuan of credit lines across various fields in Nanchang to support the financing of key industries and major projects in Nanchang and promote the accelerated development of modern agriculture and other industries in Nanchang.
The Bank aims to comprehensively reveal the importance of green finance to production, life, and ecology through multi-level publicity activities, demonstrating the effectiveness of Jiangxi’s green finance development, popularizing green finance knowledge, and promoting the concept of green development.

Externally, these publicity activities have created a positive atmosphere of public opinion on green finance, brought green finance closer to people’s life through various media, guided residents and enterprises to establish a good awareness of ecological civilization construction, advocated green production and lifestyle, and allowed the concept of ‘green water and green mountains are gold mountains and silver mountains’ truly entered the hearts of the people;

Internally, the Bank has enhanced the green finance awareness and responsibility of all employees, improved the employees’ green finance business literacy and professional service capabilities. In the meantime, it strengthened its contact with customers and carried out various activities to promote green finance knowledge to every family to highlight the brand effect, further enhancing customer stickiness.

5.3 Calculation of Environmental Impact of Business Activities

The Bank regularly announces the carbon footprint of its operating activities:

The statistical caliber adopted by the Bank is the current measurement guidelines followed by the Bank(1). Based on the carbon dioxide emission coefficient of each energy consumption product, the specific calculation formula is as follows:

\[ CO_2 = \sum_{i=1}^{n} E_i \times \alpha_i \]

Note: This formula is a basic formula, and carbon dioxide emissions should be calculated separately according to specific energy consumption types.

Where:

- \(\alpha_i\): Project carbon dioxide emission reduction, unit: ton. carbon dioxide;
- \(E_i\): The physical savings of a certain energy consumption product of the project, unit: ton (or 10,000 kilowatt hours or cubic meters, etc.);
- \(\alpha\): The carbon dioxide emission coefficient of the energy consumed by the project, in units of kilograms of carbon dioxide or kilograms (or cubic meters). If the energy-saving variety is raw coal, it can be calculated by querying the carbon dioxide emission coefficient of the raw coal consumed by the project. If the carbon dioxide emission coefficient of the raw coal cannot be obtained, the carbon dioxide emission coefficient of the standard coal can be used after the calorific value of the raw coal is converted into standard coal. If the energy-saving variety is electricity, the carbon dioxide emission factor is the average carbon dioxide emission factor of the regional power grid in the project area(2). The carbon dioxide emission factor for energy-saving varieties of natural gas is 2.17 kg carbon dioxide or standard cubic meters; the energy-saving varieties are diesel (including power diesel and fuel diesel for transportation) and the carbon dioxide emission coefficient for fuel gasoline can both be 3.16 kg carbon dioxide. Carbon dioxide emission coefficient of diesel and gasoline(3) can take 2.98 kg carbon dioxide or kg gasoline(4).


(2) The Bank is located in Central China. According to the 2012 China Regional Power Grid’s average carbon dioxide emission factor \(\alpha_i\) (kgco\(_2\)/kwh) statistics issued by the National Development and Reform Commission and the China Electricity Council, the Central China regional power grid (Henan Province, Hubei Province, Hunan Province, Jiangxi Province, Sichuan Province, Chongqing City) has an emission factor of 0.5257.

(3) The calculation parameters of the carbon dioxide emission coefficient of diesel and gasoline are extracted from the second volume of the IPCC 2006 National Greenhouse Gas Emission Inventory Guidelines.

(4) According to the “Automotive Gasoline (Draft for Comment) (GB 17930-2013)” published by the National Standardization Administration of China, the density \(h\) (20°C) (kg/m\(^3\)) of No. 89, 92, 95 and 98 gasoline ranges from 726–775, our bank uses the average value for calculation.
Environmental Impact of Investment and Financing Activities

6.1 Environmental Impact Caused by Investment and Financing Activities

6.2 Measurement and Expression of the Environmental Impact of Investment and Financing Activities

6.3 Data Sorting, Verification, and Protection
6.1 Environmental Impact Caused by Investment and Financing Activities

According to the conclusions in the Bonds and Climate Change: The State of the Market 2018, which was published by the Climate Bonds Initiative in September 2018, by 2030, approximately $90 trillion investment will be needed worldwide in climate projects to address climate change and achieve the United Nations Sustainable Development Goals. As a responsible bank that continues to implement a green development strategy, we play a vital role in providing financing for the green transformation of the real economy. While providing customers with innovative green financial products and services, we also provide financial support for solutions to climate challenges.

Green Credit: increase the amount of green credit and support the innovation of credit projects

The Scale and Structure of Green Credit

In recent years, we have continued to increase the amount of green credit to support the construction of China’s ecological civilization and have made outstanding achievements in developing green credit to support green development and the real economy. In the first half of 2020, we continued to conscientiously implement the guidance on the banking industry’s support for the construction of an ecological civilization in Jiangxi Province, continued to increase green credit investment, and focused on supporting the development of green economy, low-carbon economy and circular economy. Also, we continuously improved our own environmental and social performance, actively promoted green finance, and achieved remarkable results.

The Scale and Structure of the People’s Bank of China

Our green loan balance was 11335 billion yuan, which had an increase of 3362 billion yuan since the beginning of the year. The growth rate reached 40.02%, accounting for 5.78% of all loans which had an increase of 0.9% since last year, maintaining a relatively stable growth trend.

43.31% upgrading infrastructure of green industries
25.77% the energy conservation and environmental protection industry
20.19% the ecological environment industry
5.58% the clean production industry
5.16% the clean energy industry

Green Credit Assessment and Incentives

In order to further increase the amount of green credit, on the one hand, we strengthened the support for green credit evaluation and preferential policy. In 2020, the ‘green finance business’ was included in the comprehensive performance evaluation of the person in charge of the branches. More resources were given to businesses that occupy green credit related economic capital, which further improved the incentive and restraint mechanism for green credit related work and improved the marketing capabilities of the branches’ green credit business. On the other hand, we have also continued to optimize the technological support for the green credit system. In 2020, we revised and completed the transformation of the green credit system in accordance with the green loan statistical system of the People’s Bank of China, and further improved the statistical function of the green credit system.

Excellent Cases of Green Credit

Green Home Loan: breaks the financing dilemma of sanitation projects

Accumulatively issued 13 green loans with an amount of 112 million yuan.

Environmental Performance of Green Credit

According to the regulatory statistics filling rules and the guidance requirements for energy conservation and emission reduction calculation given in the Notice of the General Office of the China Banking and Insurance Regulatory Commission on the relevant work of the green financing statistical system (Xinbaojianban[2020] No.739), the green credit project approval documents, feasibility study report, etc., and the data calculation results of our green credit data system show that in 2020, our green credit environmental performance was remarkable.

- 884599.97 Standard Coal (tons)
- 3544636.32 Carbon Dioxide (tons)
- 89729.65 Chemical Oxygen Demand (tons)
- 4192.19 Ammonia Nitrogen (tons)
- 58441.34 Sulfur Dioxide (tons)
- 3778.44 Nitrogen Oxides (tons)
- 229894.02 Water (tons)

In response to the imperfect infrastructure of backend disposal classification, large investment by related enterprises, long recovery period of funds, and difficulties in financing, we launched an exclusive loan- ‘Green Home Loan’ to open up green financing channels for sanitation projects. Through our ‘Green Home Loan’ product, we have effectively solved the financial difficulties faced by the government and environmental sanitation project operating companies, and cleared the obstacles encountered during the operation of environmental sanitation projects.

As of December 31, 2020, a total of 13 ‘green home loans’ have been issued, with an amount of 112 million yuan, which strongly supports the construction and daily operation of environmental sanitation projects in Jiujiang, Ganzhou, Shanghai, Fuzhou, Pingxiang, and other places. All the local sanitation work has achieved positive results. This advances the deployment of household waste classification and is conducive to the construction of a national ecological civilization experimental zone and a green financial reform and innovation experimental zone in the Jiangxi Province. We have achieved benefits for green enterprises, promoted a better future with loans, and jointly build green homes.
6.2 Measurement and Expression of the Environmental Impact of Investment and Financing Activities

Our green credit environmental benefit calculation standards are based on the Second Edition of Guidelines for Estimating Energy Conservation and Emission Reduction of Green Credit Projects issued by the China Banking and Insurance Regulatory Commission in May 2020. The calculation items involved are: sewage treatment and its recycling; its environmental benefits include the reduction of chemical oxygen demand and ammonia nitrogen emissions; clean energy; its environmental benefits are energy saving and greenhouse gas emission reduction; ecological environment projects: its environmental benefit is the reduction of carbon dioxide emissions. The data required for project environmental benefit calculations came from project approval documents and feasibility study reports, and the relevant calculation coefficients came from the Guidelines for Estimating Energy Conservation and Emission Reduction of Green Credit Projects.

The calculation formulas involved are as follows:

- **Recycling amount of renewable resources of the project, unit: ton:**
  \[ P_1 \]

- **Energy saving per unit resource recovery, unit: kg standard coal/ton of renewable resources:**
  \[ \Delta E \]

- **Average concentration of ammonia nitrogen in influent, unit: mg/L:**
  \[ \phi_N \]

- **Average concentration of ammonia nitrogen in effluent, unit: mg/L:**
  \[ \phi_{N,e} \]

- **Designed annual sewage treatment volume of wastewater treatment project, unit: 10,000 tons/year:**
  \[ x \]

- **Designed chemical oxygen demand concentration of effluent, unit: mg/L:**
  \[ \phi_{ch} \]

- **Chemical oxygen demand reduction amount of project, unit: 10,000 tons/year:**
  \[ \Delta E \]

- **Ammonia nitrogen reduction amount of project, unit: ton:**
  \[ \Delta N \]

- **Annual operating hours of the facility, unit: hour/year:**
  \[ T \]

- **Annual increase in the volume of the aboveground part of a certain tree species per unit area, unit: cubic meter/ha:**
  \[ \Delta V \]

- **Afforestation area or forest tending area of a certain tree species, unit: ha:**
  \[ A \]

- **Basic wood density of a certain tree species, unit: ton/ cubic meter:**
  \[ D \]

- **Average biomass expansion factor of certain tree species:**
  \[ BEF \]

- **Ratio of root to stem of certain tree species, dimensionless:**
  \[ R \]

- **Carbon content in biomass of various tree species:**
  \[ 0.5 \]

- **Ratio of the molecular weight of carbon dioxide to carbon:**
  \[ 44/12 \]

- **Benefit of tree trunk volume into aboveground biomass:**
  \[ 1 \]

- **Benefit of ground biomass to aboveground biomass of tree species i:**
  \[ 0.5 \]

- **Direct chemical oxygen demand reduction amount, unit: ton/year:**
  \[ \Delta \]

- **Chemical oxygen demand reduction amount of effluent:**
  \[ \phi_{ch} \]

- **Average concentration of chemical oxygen demand of influent, unit: mg/L:**
  \[ \phi_{ch} \]

- **Chemical oxygen demand concentration of effluent, unit: mg/L:**
  \[ \phi_{ch} \]

- **Benefit of water conservation amount of the project, unit: ton:**
  \[ W \]

- **Water consumption per unit output of the project before the implementation of the water-conservation project, unit: 10 cubic meter/ton per product:**
  \[ e_w \]

- **Water consumption per unit output of the project after the implementation of the water-conservation project, unit: 10 cubic meter/ton per product:**
  \[ e_{w,f} \]

- **Product output of project before implementation of water-conservation project, unit: ton:**
  \[ P_{i} \]

- **Product output of project after the implementation of the water-conservation project, unit: ton:**
  \[ P_{f} \]

- **Standard coal savings:**
  \[ E = P \times \left( \frac{\Delta E}{1000} \right) \]

- **Direct sulfur dioxide reduction, unit: ton/year:**
  \[ S_{O2} \]

- **Benefit of carbon dioxide emission reduction:**
  \[ \Delta \]

- **Benefit of water conservation amount of the project, unit: ton:**
  \[ W \]

- **Benefit of energy saving per unit resource recovery, unit: kg standard coal/ton of renewable resources:**
  \[ \Delta E \]

- **Ratio of root to stem of certain tree species, dimensionless:**
  \[ R \]

- **Benefit of ground biomass to aboveground biomass of tree species i:**
  \[ 0.5 \]

- **Benefit of tree trunk volume into aboveground biomass:**
  \[ 1 \]

- **Benefit of ground biomass to aboveground biomass of tree species i:**
  \[ 0.5 \]

- **Benefit of water conservation amount of the project, unit: ton:**
  \[ W \]

- **Benefit of energy saving per unit resource recovery, unit: kg standard coal/ton of renewable resources:**
  \[ \Delta E \]

- **Ratio of root to stem of certain tree species, dimensionless:**
  \[ R \]

- **Benefit of ground biomass to aboveground biomass of tree species i:**
  \[ 0.5 \]

- **Benefit of tree trunk volume into aboveground biomass:**
  \[ 1 \]

- **Benefit of ground biomass to aboveground biomass of tree species i:**
  \[ 0.5 \]
6.3 Data Sorting, Verification, and Protection

Revise Information Security Management Measures and Strengthen Data Management Standards

According to the principle of "who is in charge who is responsible, who operates who is responsible, who uses who is responsible," we clarify the production data management responsibilities of different departments and regularly organize security inspections and risk assessments for important information systems in the industry according to the frequency of regulatory requirements to ensure the timeliness and accuracy of statistical data and disclosed information of green credit.

Establish a Data Management Process to Ensure Data Security and Data Subjects’ Rights and Interests.

Data information includes but is not limited to data generated through the Bank’s business and management system. It mainly includes customer-oriented services and business management. Our overall security management strategy for data information control is 'full protection, clear responsibilities, application on demand, and careful review.' Based on the content of safety management, we have formulated an indicator system to comprehensively measure the data management level. The Technology Department of the head office is the daily management organization of all the branches' information security management, which is responsible for the specific implementation of all of the branches' information security management. Its main responsibilities include:

- Implement the resolutions of the Information Technology Management Committee, and construct the information security system and information security management of all branches.
- Responsible for leading the organization of information security risk prevention, security supervision, and rectification of security issues across all the branches, and inspecting the implementation of information security management systems, regulations, and standards by various departments and branches.
- Responsible for regularly summarizing our information security situation, reporting to the Information Technology Committee and higher-level supervisory authorities, and coupling back opinions and suggestions on security technology and management. Departments and branches at all levels establish effective communication channels with law enforcement agencies, regulatory agencies, management agencies, suppliers, domestic information security agencies, and other organizations.

The Technology Department of the head office regularly summarizes our information security situation, reports it to the Information Technology Committee and higher-level supervisory authorities, and couples back opinions and suggestions on security technology and management. Departments and branches at all levels establish effective communication channels with law enforcement agencies, regulatory agencies, management agencies, suppliers, domestic information security agencies, and other organizations.

In order to ensure the rights and interests of data subjects, other departments in the industry should apply for the data maintenance process in the OA system when using data. The data business department will review the content of the data use application and extract the smallest amount of data under the conditions of meeting the needs of the work. After the person in charge approves, it is submitted to the technology department for extraction.
Our technology department conducts security configuration on the host and system in charge, and regularly organizes compliance inspections of security standards. Terminals (including desktop office systems, counter terminals, independent (dumb) terminals, operation terminals, operation and maintenance terminals, portable computers, PDAs, mobile phones, etc.) use safety management following the principle of "standardization," that is, the customization, use, and maintenance of terminal shall comply with the relevant norms and standards formulated by the Technology Department of the head office.

Our data modification must be logged in and operated on the designated terminal operating platform, and the terminal operating platform must be equipped with monitoring probes for 24/7 monitoring. When performing the operations of data modification, follow the operating principle of 'Two or more persons are present, and it is strictly forbidden for one person to modify data.'

All departments and branches of our bank shall promptly report, respond to and deal with various safety issues discovered in the course of operations. Major safety hazards and operational accidents shall be dealt with in a timely manner and coordinated to resolve them. The technology department should cooperate with other relevant departments with business continuity to jointly formulate an information security emergency response plan to identify key business procedures and check the emergency plan through regular drills and tests. All departments and branches of the head office need to strengthen the awareness of information system security and establish an emergency response command system integrating business, technology, and logistics support of the bank to command and coordinate all departments to quickly enter the emergency response procedures. We have developed an indicator system for comprehensively measuring the management level based on the content of safety management, which includes qualitative and quantitative indicators and also indicators that monitor dynamic risks using information technology.
7.1 Sustained Green Financial Product Innovation, Actively Promote Business Landing
7.2 Strengthening External Communication and Cooperation, Deepening the Cultivation of Green Finance Research
7.3 Future Outlook
7.1 Sustained Green Financial Product Innovation, Actively Promote Business Landing

Case 1  Bank of Jiujiang ‘green commercial papers finance,’ makes green easier to finance

In recent years, China adhered to the national strategy of green development and vigorously developed green industry and green finance. At present, green finance related business is mainly carried out by financial institutions, and the financing channels of small and medium-sized enterprises are very limited. The bank launched the first green commercial papers research project in the country, and combined with the research results of the project it launched a special green financial product ‘Jiuyin Green Commercial Papers Finance,’ while at the same time completed the green commercial papers business lending in Ganjiang New District of the province, which promoted the high-quality development of green finance.

◆ Accelerating the comprehensive promotion of green notes and promoting the transformation of small and medium-sized enterprises.
◆ Green commercial papers acceptance total 661 million yuan, green commercial papers discount total 792 million yuan, rediscount 586 million yuan.

Jiuyin Green Commercial Papers Finance‘ is a business that the bank considers as the enterprise’s main business or the transaction object and in accordance to certain standards to open up the green channel for the enterprise to handle the green commercial papers acceptance and the discount bill.

It has three service characteristics:

First, Green Calibration: according to the enterprise’s main business or the transaction object to conduct the green object and the green commercial paper calibration, it prevents the risk of ‘green washing’ and ‘green rinsing’ and accurately supports the enterprise green fund demand.

Second, Discount: it reduces green commercial papers from transaction fees and grants discount rates for green commercial papers that are conducive to enterprises.

Third, Efficiency: for business applications that meet the green commercial papers identification standards, the Bank opens green channels in business approvals to provide priority to ensure business efficiency.

Since the issuance of the ‘Jiuyin Green Commercial Papers Finance’ product management measures, the Bank combined with the acceptance and discount demand of the enterprise have identified seven green subjects and landed a number of green commercial papers projects in the Jiangxi Province from three aspects: the main body of the enterprise, the subject of the transaction, and the purpose of the subject of the transaction.

◆ April 15, 2020, Ganjiang New District Branch of Bank of Jiujiang issued a 12.574 million yuan green commercial papers for the purchase of auto parts to produce new energy passenger cars.
◆ April 16, 2020, Ganjiang New District Branch of Bank of Jiujiang issued a 500,000 yuan green commercial papers for purchasing energy saving and environmental protection equipment.
◆ April 17, 2020, Ganjiang New District Branch of Bank of Jiujiang processed a green commercial paper discount of 500,000 yuan for an auto parts production enterprise.
◆ April 24, 2020, Ganjiang New District Branch of Bank of Jiujiang processed a green commercial paper discount of 500,000 yuan for a metal processing and manufacturing enterprise.
◆ May 11, 2020, Ganjiang New District Branch of Bank of Jiujiang processed a green commercial paper rediscount of 500,000 yuan, which was the first green commercial paper rediscount in Jiangxi Province, and opened the path of putting the People’s Bank of China’s rediscount funds into real enterprises through green commercial papers.
◆ May 18, 2020, Ganjiang New District Branch of Bank of Jiujiang issued 10.015 million yuan green commercial paper for a city construction enterprise to pay for a two-star green building ‘Hongfa Commercial Building’ project in Ganjiang New District.

◆ December 17, Bank of Jiujiang won the finalist award of the 2020 Jiangxi Province Green Finance Labor Competition Excellent Project Exhibition.
**Case 2**  
**Green Finance Helps to Classify Garbage and Advocates a Green Lifestyle for Residents**

‘Hand-in-Hand Wealth Management’ is a special financial product aimed at addressing the problem that the awareness of the front-end classification of garbage is not enough and the enthusiasm is not high enough. It has three main service features:

**First, Exclusive:** this project is dedicated to garbage classification pilot district residents and front-line sanitation workers.

**Second, Public Welfare:** green finance promotes the garbage classification and advocates residents to establish a green lifestyle.

**Third, High Income:** the expected average rate of return is 20 bps higher than the average rate of return of financial products in the same period and allow residents to enjoy the green life and profit the future.

In 2019, the **first issue** scale of ‘Hand Financial Management’ was **50 million**, **92** product days, expected annualized yield of **4.5%**.

As of December 31, 2020, the bank has completed green financial leases with a total of **545.816 million yuan**.

**Case 3**  
**Exploring the Innovation of Green Finance Lease, Constructing a New Path of Sustainable Development**

Under the background of the development of green finance in China, the creation of green finance reform and innovation experimental area in Guangzhou, and the third pole of financing lease in China in Nansha, the Guangdong Free Trade Zone Nansha Branch of Bank of Jiujiang focused on its financing lease in China in Nansha, the Guangdong Free Trade Zone Experimental Area in Guangzhou, and the third pole of the green finance reform and innovation experimental area in Guangdong province. The bank, allied with the People’s Bank of China, has jointly initiated the nation’s first green commercial paper research project.

During the subscription period, this project was issued to the residents and front-line sanitation workers in the pilot district of garbage classification, which effectively encouraged residents to actively practice garbage classification and help the formation of a green lifestyle.

**7.2 Strengthening External Communication and Cooperation, Deepening the Cultivation of Green Finance Research**

**Research Result 1:** Perfect the Green Industry System, Meet the Financing Needs of Enterprises

Leveraging private funds to introduce a large number of financial resources to the green industry.

As an effective supplement to green credit and green bonds, green commercial papers can better meet corporate funding and short-term financing needs, further expand the coverage of green finance, improve the multi-level financing system in the field of green industries, and benefit the green transformation of the real economy. Committed to the development of green finance, the Bank highly recognizes the promotion of the ‘green commercial papers’ business.

The Ganjiang New District Green Financial Service Center Establishment Plan and Green Commercial Papers Project Opening Ceremony was held in the Bank of Jiujiang, the People’s Bank of China, the Guangdong Provincial Local Financial Supervision and Administration Bureau, Ganjiang New District Finance Bureau, Nanchang Central Branch of the People’s Bank of China, and the Management Committee of Ganjiang New District, which based on the research results of the green commercial papers jointly initiated by Bank of Jiujiang, were discussed.

As of December 31, 2020, the bank has completed green financial leases with a total of **545.816 million yuan**.
Actively promote the conversion of green commercial papers and business implementation

- On March 25, 2020, in conjunction with the results of the research on green commercial papers, the Jiangxi Provincial Institute of Finance formally issued the Guidelines for the Recognition and Management of Green Commercial Papers in Jiangxi Province (Trial Implementation) to standardize the certification standards for green commercial papers.

- On April 27th, the Notice on Using Rediscount Tools to Support the Development of Green Commercial Papers was issued by the Nanchang Central Branch of the People’s Bank of China and gave a special rediscount support policy for green commercial papers.

As the project initiator and the pilot bank, the bank acted quickly. On March 27th, we formally issued the Bank of Jiujiang’s ‘Jiuyin Green Commercial Papers Finance’ Business Management Measures (Trial Implementation) to regulate the green commercial papers business handling process from the system level and lead the whole bank to develop the green commercial papers business.

The Bank of Jiujiang has opened a green channel for green commercial papers business applications, offering green bills acceptance fees and green commercial paper discount interest rates, so as to truly benefit enterprises and meet their funding needs in the process of green transformation and development.

The Bank of Jiujiang established a special green commercial papers promotion group to fully promote the implementation of green commercial papers. With the guidance and support of the Nanchang Central Branch of the People’s Bank of China, the bank has taken the lead in launching a batch of green commercial papers businesses in Ganjiang New District and other places. It has also completed the rediscount of the first green commercial paper in Jiangxi Province. As the end of 2020, green commercial paper acceptances totaled 661 million yuan, green commercial paper discounts totaled 792 million yuan, and green commercial paper rediscounts totaled 586 million yuan, effectively supporting the development of industries such as green buildings, new energy vehicles, and resource recycling.

- Formulate green commercial papers rules and regulations
- Enhance policy support for green commercial papers
- Fully promote the commercial papers business

Research Result 2: Expanding the Endogenous Power of Green Finance to Build ‘Jiangxi Green Finance Bank’

The Bank of Jiujiang closely follows the state policies, in line with the trend of the times, continuously promotes the capacity building, continuously deepens the green financial services, and strive to build ‘Green Financial Bank in Jiangxi.’

In September 2019, the Bank of Jiujiang successfully joined the Hong Kong Green Finance Association and became the first city commercial bank in China to join the Association. In 2019, the Bank jointly initiated the establishment of the first green finance research institute in Jiangxi Province—the Ganjiang Green Finance Research Institute and signed a strategic cooperation agreement with the Jiangxi Provincial Department of Ecology and Environment and the Jiangxi Provincial Carbon Emission Trading Center. In April 2020, the Bank formally signed the United Nations Principles for Responsible Banking (PRB) and joined the United Nations Environment Programme Financial Initiative (UNEP FI), becoming the first urban commercial bank in the country to sign the Principles for Responsible Banking (PRB).

- The Bank of Jiujiang joined the Hong Kong Green Finance Association
- The Bank of Jiujiang signed a green finance strategic cooperation agreement with the Jiangxi Provincial Department of Ecology and Environment
7.3 Future Outlook

The development of green finance is not only about intuition, but also requires us to continue to promote capacity building and allow for the greater influence of the green finance ecosystem.

As a responsible urban commercial bank, the Bank will continue to implement the requirements of re-understanding, re-implementing, and re-innovating green finance, aiming to promote the growth of green credit, connecting the financing needs of green projects, taking the exploration of the realization of the value of ecological products as the innovation direction, and the completion of the environmental information disclosure of financial institutions as a good field of responsibility.

We will take more active actions to develop green financial services. It also strives to seize the central and local policy opportunities, explore financial product innovation, improve environmental and social risk management, establish a green finance professional team, and strengthen the application of green financial technology, strive to achieve the ‘five goods: learning policies, promoting products, repairing internal strength, building a good team, creating a good brand,’ and striving to become a leading ‘Green Finance Bank,’ to build a beautiful China ‘Jiangxi Model,’ to build a prosperous, beautiful, and happy modern Jiangxi to contribute a steady source of financial services.
Organizations

Member of Green Finance Committee of China Society for Finance and Banking

Financial Initiative Member of United Nations Environment Programme

Member of Hong Kong Green Finance Association

Standing Committee Member of Professional Committee on Green Credit of China Banking Association

Governing unit of the Professional Committee on Climate Investment and Financing of Chinese Society for Environmental Sciences

Standing Member of Investment and Financing Professional Committee of China Association of Environmental Protection Industry
Honors

‘Green Financial Development Contribution Award of 2017’
presented by Jiangxi Provincial Financial Supervision Authority

‘Green Financial Franchise Award of 2018’
presented by the Jiangxi Provincial Financial Supervision Authority

Awarded as ‘excellent’ in the Green Credit Job Assessment in Jiangxi Province for three years
in the Green Credit Job Assessment issued by the Jiangxi Banking and Insurance Regulatory Commission, ranked as ‘excellent’ from 2017 to 2019.

‘Advanced Typical Collective in the Province’s Financial Sector of 2019’
awarded in financial working group forum of Jiangxi Province

Won the first and second prizes respectively in the ‘Green Finance to support the Construction of Ecological Civilization’ writing activities organized by Jiangxi Institute of Finance in 2019

Won the Second Prize of ‘Jiangxi Province Green Finance Labor Competition of 2020’ presented by the Jiangxi Provincial Finance Society, won the first prize of the preliminary contest and the second prize of the final group. At the same time, the green bill case won the finalist award of the excellent project exhibition evaluation.
### Financial Institutions’ Environmental Disclosure Information Guidelines (Trial) Indicator Index

<table>
<thead>
<tr>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Annual Overview</td>
<td></td>
</tr>
<tr>
<td>1.1 General Overview</td>
<td>003-008</td>
</tr>
<tr>
<td>2. Environment-Related Governance Structure</td>
<td></td>
</tr>
<tr>
<td>2.1 The Board of Director Level</td>
<td>011-012</td>
</tr>
<tr>
<td>2.2 The Management Level</td>
<td>013-014</td>
</tr>
<tr>
<td>3. Environment-Related Policies</td>
<td></td>
</tr>
<tr>
<td>3.1 International conventions, national and local environmental policies</td>
<td>017-020</td>
</tr>
<tr>
<td>3.2 Current policies relating to the environment</td>
<td>021-022</td>
</tr>
<tr>
<td>4. Analysis and management of environmental risks and opportunities of financial institutions</td>
<td></td>
</tr>
<tr>
<td>4.1 Impact of environmental risks on financial institutions</td>
<td>025-034</td>
</tr>
<tr>
<td>4.2 Quantitative analysis of financial institutions’ environmental risks</td>
<td>-</td>
</tr>
<tr>
<td>4.3 Environmental risk management and procedures for financial institutions</td>
<td>034</td>
</tr>
<tr>
<td>5. Environmental Impacts of Financial Institutions’ Business Activities</td>
<td></td>
</tr>
<tr>
<td>5.1 Direct greenhouse gas emissions and natural resource consumption from Financial Institutions’ Business Activities</td>
<td>037</td>
</tr>
<tr>
<td>5.2 Indirect greenhouse gas emissions and indirect consumption of natural resources from Financial Institutions’ Business Activities</td>
<td>037</td>
</tr>
<tr>
<td>5.3 Effects of the Bank’s Environmental Protection Measures</td>
<td>038-045</td>
</tr>
<tr>
<td>5.4 Calculation of Environmental Impact of Business Activities</td>
<td>046</td>
</tr>
<tr>
<td>6. Environmental Impact of Investment and Financing Activities</td>
<td></td>
</tr>
<tr>
<td>6.1 Environmental Impact Caused by Investment and Financing Activities</td>
<td>049-050</td>
</tr>
<tr>
<td>6.2 Measurement and Expression of Environmental Impact of Investment and Financing Activities</td>
<td>051-052</td>
</tr>
<tr>
<td>6.3 Data Sorting, Verification, and Protection</td>
<td>053-055</td>
</tr>
<tr>
<td>7. Green Finance Innovation and Research Results</td>
<td></td>
</tr>
<tr>
<td>7.1 Green Finance Innovation and Research Results</td>
<td>059-064</td>
</tr>
<tr>
<td>8. Other environment-related information</td>
<td></td>
</tr>
<tr>
<td>8.1 Other environment-related information</td>
<td>065-076</td>
</tr>
</tbody>
</table>

### TCFD Index

<table>
<thead>
<tr>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Governance</td>
<td></td>
</tr>
<tr>
<td>1.1 Describe the board’s oversight of climate-related risks and opportunities.</td>
<td>011-012</td>
</tr>
<tr>
<td>1.2 Describe management’s role in assessing and managing climate-related risks and opportunities.</td>
<td>013-014</td>
</tr>
<tr>
<td>2. Strategy</td>
<td></td>
</tr>
<tr>
<td>2.1 Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</td>
<td>025-033</td>
</tr>
<tr>
<td>2.2 Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</td>
<td></td>
</tr>
<tr>
<td>2.3 Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</td>
<td></td>
</tr>
<tr>
<td>3. Risk Management</td>
<td></td>
</tr>
<tr>
<td>3.1 Describe the organization’s processes for identifying and assessing climate-related risks.</td>
<td>034</td>
</tr>
<tr>
<td>3.2 Describe the organization’s processes for managing climate-related risks.</td>
<td></td>
</tr>
<tr>
<td>3.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</td>
<td></td>
</tr>
<tr>
<td>4. Metrics and Targets</td>
<td></td>
</tr>
<tr>
<td>4.1 Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</td>
<td>034</td>
</tr>
<tr>
<td>4.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</td>
<td>037</td>
</tr>
<tr>
<td>4.3 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</td>
<td>006-008</td>
</tr>
</tbody>
</table>
## PRB Principles Index

<table>
<thead>
<tr>
<th>Principle: Alignment</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Describe the business of the bank, including the major customer groups it serves, the major products and service types it provides, the major industry/technology/activity types it provides financing for, and the geographic area of the bank’s main operation or provision of financing.</td>
<td>Note that your bank has upgraded / is upgrading existing practices to reflect and conform to existing and emerging international, national, or regional frameworks.</td>
<td>003-004 007-008</td>
</tr>
<tr>
<td>1.2 Describe how the bank’s existing strategy/plan alignment strategy is aligned with and contributes to the social goals set out in the United Nations Sustainable Development Goals (SDGs), the Paris Climate Agreement and relevant national and regional frameworks.</td>
<td>Note that in addition to setting targets and implementing them in at least two areas (see 2.1-2.4) in the past 12 months (up to 18 months at the time of initial disclosure after signature) and its impact. (The bank should include quantitative disclosure where appropriate and feasible)</td>
<td>005-006</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principle: Impact and Target Setting</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Impact analysis</td>
<td>Note that the bank has identified its (potential) positive and negative areas through impact analysis.</td>
<td>006-008 040-042</td>
</tr>
<tr>
<td>2.2 Target setting</td>
<td>Demonstrate that these goals are consistent with and contribute to the United Nations Sustainable Development Goals (SDGs), the Paris Climate Agreement goals and other relevant international, national, or regional frameworks. Banks should establish a baseline (for a specific year) and set targets based on the baseline.</td>
<td>Explain that the bank has analyzed and identified the significant (potential) negative impacts that the set goals may have on sustainable development goals (SDGs)/ climate change / social goals, and, where feasible, take measures to minimize these negative impacts and enhance net positive impacts.</td>
</tr>
<tr>
<td>2.3 Target implementation and monitoring plan</td>
<td>Explain that to achieve the set goal, the bank has set the stage goals and has formulated the action plan.</td>
<td>Note that the bank has set processes to monitor and review progress against the targets, including setting KPIs. Any changes in the definition and any reset of the baseline shall be publicly disclosed.</td>
</tr>
<tr>
<td>2.4 Progress towards target implementation</td>
<td>For each objective: Note that the bank has implemented the target implementation action. Or explain why the action has not been implemented or why the action needs to be adjusted, and how the bank adjusts its plan to achieve the set goals.</td>
<td>Report on the progress of the implementation of the target for the past 12 months (up to 18 months at the time of first disclosure after signature) and its impact. (The bank should include quantitative disclosure where appropriate and feasible)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principle: Clients and Customers</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Outline the policies and practices that the bank has implemented and / or plans to implement to promote responsible relationships with customers. Outline implemented (and/or planned) programmes and measures, their scale and (where possible) their results.</td>
<td>Note that the bank has identified its (potential) positive and negative areas through impact analysis.</td>
<td>043-047</td>
</tr>
<tr>
<td>3.2 Describe how the bank and / or plan to work with clients and customers to encourage sustainable practice and promote sustainable development of economic activities.</td>
<td>Note that the bank has identified its (potential) positive and negative areas through impact analysis.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principle: Stakeholders</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Describe which stakeholders (or groups/types of stakeholders) the bank engages in consultation, communication, collaboration, or cooperation to implement the Principles and enhance the bank’s impact. Outline how the bank identifies stakeholders, addresses issues and achieves results.</td>
<td>Explain that the bank has identified its (potential) positive and negative areas through impact analysis.</td>
<td>032-035</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principle: Governance and Culture</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Describe the relevant governance structures, policies and processes the bank takes /or plan to take to manage significant (potential) positive and negative impacts and effectively implement the Principles.</td>
<td>Explain that the bank has identified its (potential) positive and negative areas through impact analysis.</td>
<td>011-024</td>
</tr>
<tr>
<td>5.2 Describe initiatives and measures that your bank has implemented or plans to implement to form a responsible banking culture among employees. Outline relevant capacity building, salary structure and performance management of the inclusion of relevant factors, leadership communication and other aspects.</td>
<td>For details, see this Report and the Bank’s ESG Report.</td>
<td></td>
</tr>
<tr>
<td>5.3 Governance framework for the implementation of the Principles for Responsible Banking</td>
<td>Describe your bank’s governance structure for implementing the PRB, including: a) objective setting and implementation actions b) take remedial action where goals or milestones have not been achieved or where unforeseen negative impacts have been detected.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principle: Transparency and Accountability</th>
<th>Indicator Contents</th>
<th>Corresponding Disclosure Information Indexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Progress in the implementation of the Principles for Responsible Banking</td>
<td>Note that in addition to setting targets and implementing them in at least two areas (see 2.1-2.4) in the past 12 months (up to 18 months at the time of initial disclosure after signature), other progress has been made in implementing the six principles.</td>
<td>For details, see this Report and the Bank’s ESG Report.</td>
</tr>
<tr>
<td></td>
<td>Note that the bank has considered existing and emerging international / regional good practices related to the implementation of the six principles for responsible banking. On this basis, priorities and target plans consistent with good practice are identified.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Note that your bank has upgraded / is upgrading existing practices to reflect and conform to existing and emerging international / regional good practices and has made progress in implementing the Principles.</td>
<td></td>
</tr>
</tbody>
</table>
Feedback Sheet

Thank you for reading the Environmental Information Disclosure Report of Bank of Jiujiang in the first half of 2020. In order to strengthen communication with stakeholders and further improve the Bank's social responsibility, we expect you to provide us with valuable comments and suggestions by filling out the feedback form. Please give us feedback in any of the following ways:

- Address: Bank of Jiujiang Mansion, No.619 Changhong Avenue, Lianxi District, Jiujiang City, Jiangxi Province, China
- Postal Code: 332000
- Tel: 0792-8219403
- Fax: 0792-8325019
- Email: greenfindept@jjccb.com

1. Which of the following stakeholders do you belong to?
☐ government ☐ regulator ☐ shareholder ☐ customer ☐ staff
☐ supplier ☐ partner ☐ community ☐ environment ☐ other

2. What is your overall evaluation of this report?
☐ not good ☐ general ☐ good ☐ very good

3. What is your assessment of environmental performance of Bank of Jiujiang?
☐ not good ☐ general ☐ good ☐ very good

4. How do you consider the accuracy of the information disclosed in this report?
☐ no ☐ generally ☐ yes

5. How do you consider the integrity of the information disclosed in this report?
☐ no ☐ generally ☐ yes

6. Do you think the content and format of this report are clear to understand?
☐ no ☐ generally ☐ yes

7. Do you think this report could meet your needs of reading?
☐ no ☐ generally ☐ yes

8. What are other recommendations and suggestions on improving the implementation of Green Finance by Bank of Jiujiang and other comments in this report.
Thank you for your concern and support for Bank of Jiujiang!

廿念不忘
九久相随