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Corporate Social Responsibility
 Report 2015

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Corporate Profile

Head Office Building of China Minsheng Bank

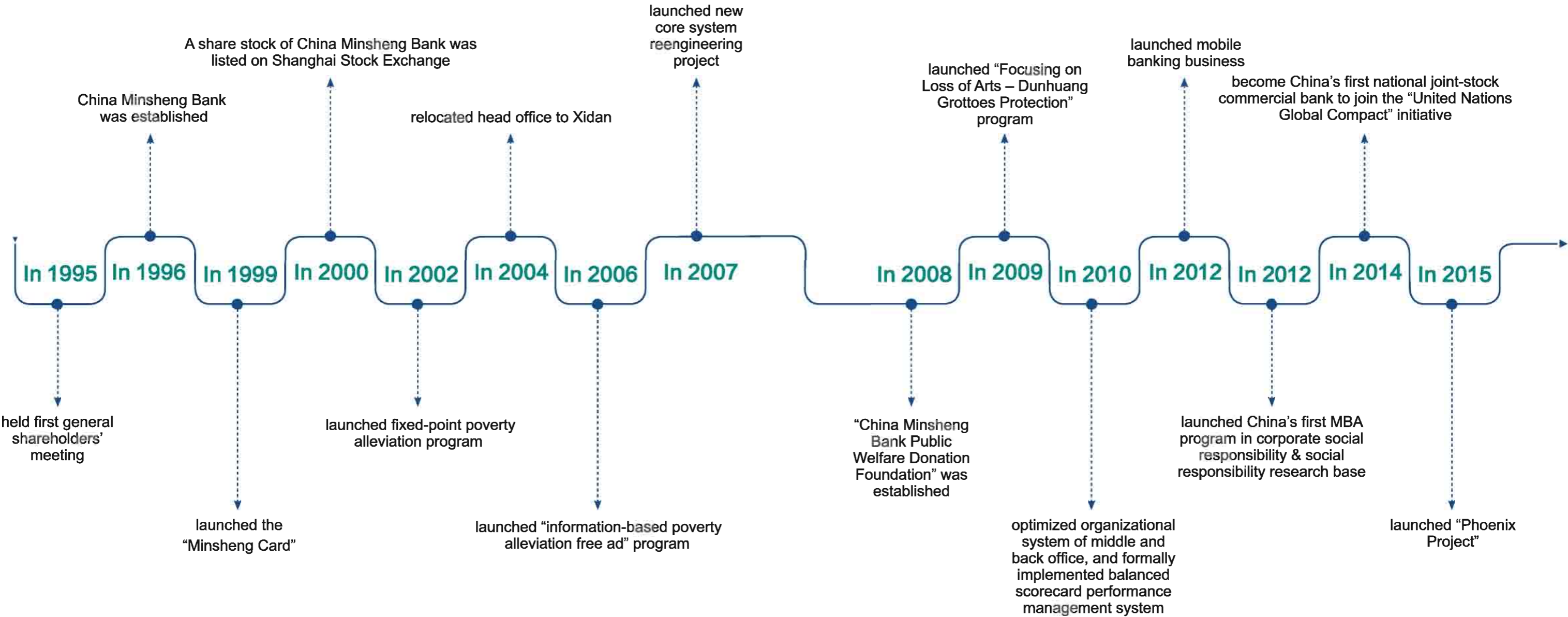
Formally established on January 12, 1996 in Beijing, China Minsheng Banking Corp., Ltd. (hereinafter referred to as "Minsheng Bank") is China's first national joint-stock commercial bank with investments mainly from non-state-owned enterprises (NSOEs), and is a standard joint-stock financial institution founded in strict compliance with the *Company Law of the People's Republic of China* and the *Law of the People's Republic of China on Commercial Banks*. As a pilot program of China's banking reform, Minsheng Bank deepens reform with keen determination and takes the initiative to make progress, making positive contributions to the reform and innovation of China's banking industry.

On December 19, 2000, the A share stock of Minsheng Bank (600016) was listed on the Shanghai Stock Exchange. On November 8, 2004, Minsheng Bank issued RMB5.8 billion subordinated bonds in the interbank bond market, becoming the first commercial bank in China to successfully issue subordinated bonds in the national interbank bond market by private placement; the bonds have been fully redeemed upon expiration. On October 26, 2005, Minsheng Bank became the first commercial bank in China that completed the equity division reform. On November 26, 2009, Minsheng Bank was listed on the Hong Kong Stock Exchange.

Minsheng Bank is committed to carrying out its operations in a compliant, pragmatic and innovative manner. In 2007, it initiated the strategic business unit (SBU) reform on corporate banking business as the first runner in China's banking industry. In 2009, it reset the strategic positioning as "a bank for NSOEs, small and micro enterprises and high-end retail customers," and began to actively promote the adjustments on management framework, organizational system and business structure and the establishment of IT platform, aiming at building a "distinctive bank" and "efficient bank." In 2015, Minsheng Bank ranked the 38th among the world's top 1000 banks and the 281st in the world's top 500 companies, becoming an influential commercial bank both in China and abroad. In 2015, Minsheng Bank established 988 new institutions of various kinds, totaling the number of institutions to 2806.



20 Years Development of Minsheng Bank



Message from Chairman

Warm water runs in rivers and trees vie for glory in spring. In this hopeful season, China Minsheng Bank celebrates the 20th anniversary of its founding. Looking back the past 20 years, in the magnificent historical process of China's economic and social reform and development, we never forget the initial determination, and work day and night to accomplish the mission, making great achievements worthy of the times.

Victory is ensured when collective forces are employed, and success is guaranteed when collective wisdoms brought to bear. It is precisely because the understanding, trust, and support of all sectors of society and the firm belief and hard work of all our staff members enable us to be a large modern commercial bank that ranks the 281st among global top 500 companies.

We never forget our responsibility and accountability, putting forward the cultural idea and value proposition of "serving and caring for the public" in the process of constant change and rapid development. We have been thinking about how we can do better as a non-state-owned bank in the face of the difficulties of real economy, the difficulties and high costs of financing suffered by small- and medium-sized enterprises, the global warming and environmental degradation, and the various uncertainties in the future.

A philosophical person can adapt himself to any circumstance; he forgets himself and gives his love to the common people. In the past 20 years, we spared no effort to serve national strategies, tried our best to support real economy, took the lead in carrying out small business financial services, and implemented groundbreaking community finance strategy, aiming at bringing about change and hope for more ordinary people with our modern financial services. We took the lead in serving private economy, launched transformation strategy for developing community- and small business-based financial services, created information-based poverty alleviation mode, and operated several non-profit art museums, making contributions to the promotion of poverty alleviation and cultural causes and the building of a harmonious society. We are committed to exerting the special role of the Bank in helping promote industrial upgrading and ecological civilization building even that means to sacrifice short-term profits, fulfilling the commitment of "green finance." We have conducted various employee care activities, constantly building a harmonious homeland for employees.

China's banking industry has entered into a silver age. In the past, we were a pilot program of China's financial reform. In the future, we are willing to be a pioneer of silver age. If it serves the matter at hand, there is no need to follow the conventions of old. In 2015, we launched the "Phoenix Project," committing to becoming a customer-centered, value-oriented and sustainable new generation bank with outstanding management capability, and a benchmarking bank that could successfully deal with interest rate liberalization under the "new normal."

20 years of hard work is to realize the dream of the Bank. In the future, we will, by relying on the gene of "innovation" and the culture of "accountability," work together with stakeholders to rise to the difficulties and challenges faced by the country, the industry, and the Bank, achieving the common expectation of building a "century-old enterprise."

洪崎

Hong Qi, Chairman of China Minsheng Bank



Message from President

The five major development ideas of innovation, coordination, green development, opening-up and sharing proposed at the Fifth Plenary Session of the 18th Communist Party of China (CPC) Central Committee in 2015 have become the program of action for national economic and social development in the 13th Five-Year Plan (2016-2020) period. As an important force for innovation and change and in promoting China's financial reform in a deep-going way and the development of real economy, China Minsheng Bank, guided by the "five developments," is committed to making new breakthrough in the field of corporate social responsibility.

We adhere to innovative development. In 2015, we launched the "Phoenix Project," actively promoting the reform and innovation. We focused on the CMMI3 certification process and the annual review of ISO 20000 and ISO 2700 international certifications, accelerating the promotion of innovation in science and technology. We used the new supply and demand of financial industry as the entry point and focused on building three major platforms of mobile banking, direct banking and online payment, constantly promoting innovation in financial products and services.

We adhere to coordinated development. In 2015, we actively provided support for inclusive financial services in the fields of city function upgrading, new-type urbanization and agricultural modernization, and strived to serve small and micro enterprises, consumption upgrading, "mass entrepreneurship and innovation," and other livelihood finance by using new ideas and new modes. The balance of loans of small business finance (Shang Dai Tong) reached RMB371.2 billion, serving a total of 4.49 million accounts of customers. In 2015, we established 29 new rural banks, and the effective customers amounted to 19691 accounts. The deposit balance of rural banks reached RMB 24.3 billion.

We adhere to green development. Inside the Bank, we vigorously advocated the ideas of green procurement and green office, and outside the Bank, we actively provided support for green credit, environmental protection, and public welfare, promoting the in-depth implementation of the strategy of building a "beautiful China." In 2015, the green procurement amount of the Bank reached RMB963.8 million, and the amount involved in rejected "two-high-and-one-over" (industries with high energy consumption, high pollution or overcapacity) projects reached RMB9.832 billion. As of the end of 2015, the balance of green credit loans of the Bank totaled RMB11.404 billion.

We adhere to open development. The Bank actively responded to the "Belt and Road" initiative, supporting the "going out" of Chinese enterprises. By using the emerging technology of "Internet Plus," we formally launched the new generation international settlement system, facilitated the "going out" of Chinese enterprises, injected vigor into emerging industries, and actively explored international operation.

We adhere to shared development. In 2015, the Bank effectively implemented the policy requirements of "targeted poverty alleviation" put forward by the CPC Central Committee, the State Council, and the People's Bank of China. The donation amount for fixed-point poverty alleviation by employees of the Bank reached RMB12.2363 million, and the annual donation amount for public welfare causes by the Bank was over RMB65 million. We continuously promoted the "information-based poverty alleviation," helping 12 counties (cities) in eight provincial administrative regions broadcast free agricultural product advertisements. Relying on this mode, more than 3.3 billion kg of slow-moving agricultural products was sold totally. We constantly provided support for the development of cultural industry, promoted the building and operation of Minsheng art museums, sponsored the shooting of large scale documentary of "Masters of the Century," and supported Huaxia New Supply Economics Research Institute to conduct the research project of "China 2049 Strategy," making contributions to the building of a powerful country in culture.

The day of January 12, 2016 marked the 20 anniversary of the founding of China Minsheng Bank. In the past 20 years, we have made great achievements. In the future, we will take more initiative and more innovative approach to fulfill social responsibility, committing to building the Bank into an outstanding financial company that would win appreciation of shareholders, customers, employees, regulators, and peer institutions.

郑万全

Zheng Wanchun, President of China Minsheng Bank



Innovation: Insisting on Customer First

Innovation is the primary engine of development. We must place innovation at the center of the national development strategy and constantly promote innovation in theories, institutions, science, technology and culture.

---- CPC Central Committee Recommendations for the 13th Five-Year Plan for National Economic and Social Development

Deepening Reform and
Serving Real Economy

Caring for Customers and
Satisfying Financial Demands

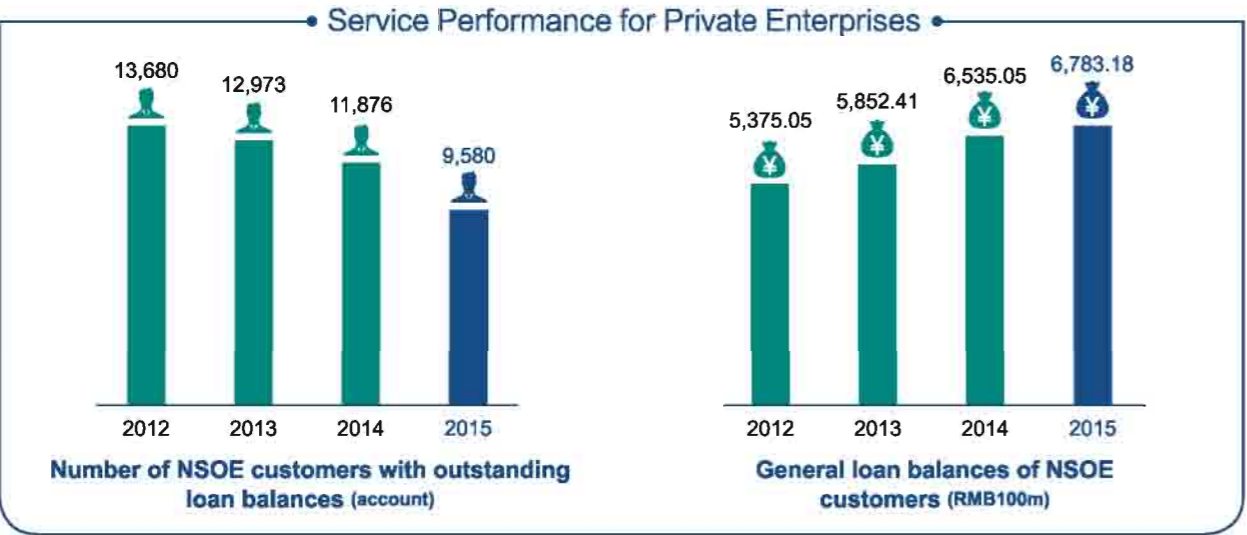


CMBC staff conducts publicity activity on cooperation between taxation bureaus and banks

Deepening Reform and Serving Real Economy

1. Walking With NSOEs

Minsheng Bank and private enterprises share the same root. Since its establishment 20 years ago, Minsheng Bank has been committed to providing support for healthy development of NSOEs with bank's advantages. In 2015, under the complicated international and domestic economic situations, Minsheng Bank effectively implemented national macroeconomic and financial policies, and controlled the direction of loan investment, continuously supporting NSOEs with great efforts. By the end of 2015, the number of NSOE customers has reached 9,580 accounts with general loan balances of RMB678.318 billion; the proportion of NSOE customers to corporate customers was 70.66 percent, and that of the general loan balances of NSOE customers to corporate loan balances was 57.07 percent.



2. Helping Small and Micro Enterprises Achieve Success

"Persistence is never easy, and support is always at the side." As the most distinctive small business finance service provider, Minsheng Bank accumulatively granted loans of nearly RMB2.2 trillion in the past five years, effectively supporting small and micro enterprises with practical actions. In the reporting period, under the continuous weakness of external economic situation and significantly increasing of deflationary pressures, Minsheng Bank, adhering to the basic principle of steady development and active adjustment, further identified the demands of small and micro customers, and strived to build an ecosystem for small finance business, enhancing comprehensive service capability.

The year of 2015 is the first year for implementing the small business finance platform. Aiming at resolving the payment and settlement, tax payment and fee transactions, and other major issues of small and



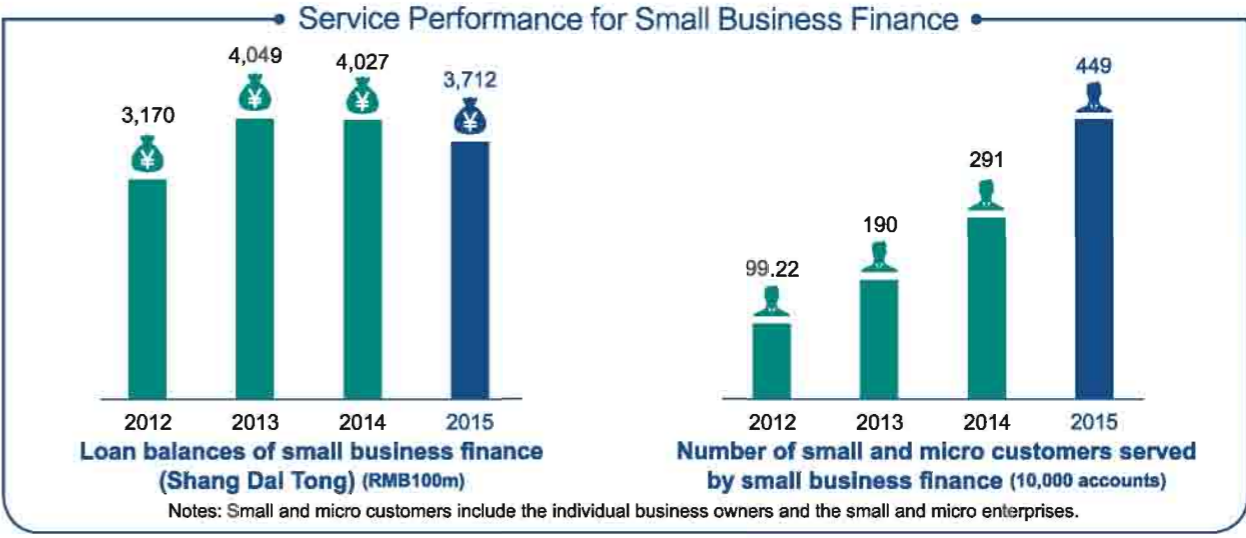
Small- and micro-sized enterprises club of CMBC Taiyuan Branch

micro enterprises, Minsheng Bank has integrated internal and external resources, successfully building platform-based ecosystem for small business finance. It has signed "head office to head office" cooperation agreements with seven leading industry platforms such as Aisino Corporation, integrating, processing, and analyzing the specialized service data of these platforms, and building small business finance database to apply to customer access, credit line model measurement, post-loan risk monitoring, and other aspects, so as to enhance the precision marketing and quantitative risk management capabilities of small business finance.

Case "House of Small Business Finance"

In October, 2015, Minsheng Bank formally launched one-stop financial service platform for small and micro enterprises – the "House of Small Business Finance." Adhering to the purpose of "serve small and micro enterprise and help realize their dreams" of Minsheng Bank's small business finance, the "House of Small Business Finance," using the online platform as carrier and channel, provides efficient and convenient services for small and micro enterprises. The customers may enjoy online financial products and services such as loans, payment collection, investment, and corporate operation in real time via this platform. In addition, the "House of Small Business Finance" offers all-around consulting and information services relating to taxes, labor, market, and accounting management to small and micro enterprises. As the first step of exploring new Internet model of small business finance, the "House of Small Business Finance" provides a possibility for the further development of small business finance.

Poster of "House of Small Finance" Poster of "Wang Le Dai," a product of "House of Small Finance"







Caring for Customers and Satisfying Financial Demands

1. Product Innovation

In an era of “mass entrepreneurship and innovation,” Minsheng Bank constantly conducts innovations by using new supply and new demand of financial sector as points of entry. In the reporting period, Minsheng Bank increased capital input, further improving online financial platform system, and constantly optimizing online banking. It focused on the building of three major platforms of mobile banking, directing banking and online payment, continuously launching financial products and services that suits to market demands.

E-Banking Business and Product Innovation

	Online banking	● Launching version 3.0 of personal online banking
	Mobile banking	● Building differentiated platform covering personal, small and micro enterprises, credit card and corporate mobile banking services ● Launching SMS banking services, offering mobile financial services to non-smart phone users
	Direct banking	● Further improving exclusive website, mobile app, WeChat banking, 10100123 customer service hotline, and other online one-stop financial service platform ● Exploring account opening via ATM and electronic account-based payroll service business
	Online payment	● Constructing unified online payment platform, and building the three general payment products of “Minsheng Payment,” “Interbank Transaction,” and “Shou Yi Fu.” The “Minsheng Payment” product has been launched, which supports online payment of Minsheng Bank accounts and accounts of other banks, and covers businesses via PC and mobile terminals, offering e-commerce customers with one-stop online payment solutions. Minsheng Bank constantly completes the payment and signing channels of “Interbank Transaction Payment.” The “Shou Yi Fu” was also launched, which could be extensively used for wholesale collection in utilities, chain store, education, insurance and other sectors

Online Banking

In 2015, Minsheng Bank launched the version 3.0 of personal online banking, providing easy and convenient online banking service platform for customers by updating system UI, simplifying business process, integrating product functions, and optimizing interactive experience. The Bank also launched overseas remittance and personal foreign exchange settlement and sales businesses. For providing diversified investment and wealth management services, it added new functions of savings bonds (electronic), certificates of deposit, and insurance products sales. In the reporting period, the substitution rate of online banking transactions reached 98.08 percent, and the number of corporate online banking customers and personal online banking customers amounted to 676.8 thousand accounts and 14.5081 million accounts respectively.

Mobile Banking

“The mobile banking of Minsheng Bank is the best every day.” In 2015, Minsheng Bank launched version 3.0 of mobile banking, which adopts flat design style, and redesigns UI, being more convenient and easy to use. The Bank

introduced direct banking into mobile banking, adding new functions of debit card online booking and application, overseas remittance, and foreign exchange purchase and sales, and launching new services of medical registration and mobile traffic recharges. In the reporting period, the effective online banking customers amounted to 19.0257 million accounts, and the annual transaction amount reached RMB6 trillion with 342 million transactions. According to 2015 mobile banking comprehensive rating conducted by China Financial Certification Authority, Minsheng Bank was given a score of 928, taking the first place for three years in a row in terms of mobile banking comprehensive rating, and winning the “Best Mobile Banking Award.”



“Best Mobile Bank of the Year” granted by Sina

Direct Banking

In 2015, Minsheng Bank focused on building fund sales platform of “Ji Jin Tong” and online housing financial service platform of “Hao Fang Dai,” constructing complete Internet financial service system. The “Hao Fang Dai” product integrates inclusiveness, convenience, high efficiency, and transparency of Internet finance into mortgage financial service, creatively achieving the online application and approval of mortgage. The product has advantages of online pre-application, standardized processes, fast loan granting, optimized pricing, transparent scheduling, and great customer experience, improving service efficiency and realizing win-win results between customers and the Bank. In the reporting period, the direct banking customers reached 2.8672 million and the transactions amounted to RMB1.21 trillion. The total subscription amount of “Ru Yi Bao” reached RMB84.7532 million.



CMBC's e-channel of remittance to overseas



Small-sum payment of CMBC mobile banking



Poster of CMBC direct banking

Case Exploring "Internet Plus" and marching into online payment business

China has vigorously promoted the "Internet Plus" strategy, creating great opportunities for commercial banks to innovatively develop Internet finance. Minsheng Bank actively responds to national call, fully uses sophisticated Internet technologies, and focuses on carrying out innovations in online payment, so as to create convenient, safe, easy to use, and diversified online payment services.

Being the first bank to conduct "fingerprint payment." In March, 2015, Minsheng Bank launched fingerprint payment for iPhone users, becoming the first commercial bank in China to conduct biometric identification payment application. The use of this technology simplifies operation process and reduces transaction time for customers, further improving the convenience and safety of payment transactions.

Launching mobile banking service of "Yun Shan Fu" with China UnionPay. In November, 2015, Minsheng Bank formally launched innovative payment service of "Yun Shan Fu" with China UnionPay by using HCE technology, which improves payment collection efficiency and reduces queuing time of consumers, achieving win-win results between businesses and consumers.

Building unified payment platform. Minsheng Bank strives to develop online payment service, enhances the building of unified payment platform, and builds the three payment products of "Interbank Transaction," "Minsheng Payment," and "Shou Fu Yi." The "Minsheng Payment" product covers mobile and PC terminals, and supports accounts of Minsheng Bank and other banks. The "Shou Fu Yi" provides industry customers with wholesale collection and payment services.

2. Service Innovation

Maintaining rights and interests of customers

Protecting property safety of customers: In the reporting period, Minsheng Bank sorted out risk compensation treatment process with quick payment partners, conducting trial operation across the bank; issued the *Notice on Regulating Assisted Investigation of Debit Card B2C Payment Risks and Risk Compensation Process of Quick Payment*, regulating related processes. By relying on workflow platform to show the work quality and efficiency of risk assisted investigation process among the head office, branches and sub-branches, Minsheng Bank realizes the closed-loop management of risk assisted investigation and compensation.



CMBC Credit Card Center introduces 12308 Call Center to the visiting legal advisory group of All-China Federation of Returned Overseas Chinese



Training on contingency consular protection at (Chengdu) Back Office Operation Center

Giving product risk warnings: To effectively prevent Internet fraud risks and guarantee the safety of Internet financial transaction, Minsheng Bank sorted out changeable account transactions of online banking and mobile banking, focusing on the check-up of the subscription of investment and wealth management products and the safety authentication of money transfer channels. It formulated the *Optimization Plan for Online Banking Risk Prevention and Control*, including the following key measures:

Strengthening customer identity identification, realizing the binding between customer identity and hardware equipment characteristics

Enhancing safety authentication of investment and wealth management product subscription



Improving real time SMS system for bank accounts, and the contents of SMS message shall give clarified transaction information

When sending verification code by SMS message to customers, risk warnings and the beneficiary information shall be included



"Yun Shan Fu" of CMBC mobile banking



Poster of "Minsheng Pay"

Case Credit card risk warnings

- ◎ Offering “Safety Instruction on Credit Card Use” to customers at the module of “Safety Instruction on Card Use” of the “Help Center” at the official website
- ◎ Offering “Safety Guide on Card Use” at the paper application form for credit card
- ◎ Offering “Credit Card Agreement” at obvious position of the official website for customer who applies Minsheng credit card via Internet
- ◎ Offering “Guide on Credit Card Use” in letter when sending credit card to customers

Ensuring transparency of expenses and fees: To effective implement the “Internet Plus” strategy, Minsheng Bank enhances Internet finance preferential measures, fully clears service charges, and issues notices on charges of Internet finance services both at prominent locations of operation outlets across the country and the official website, ensuring the transparency of expenses and fees.

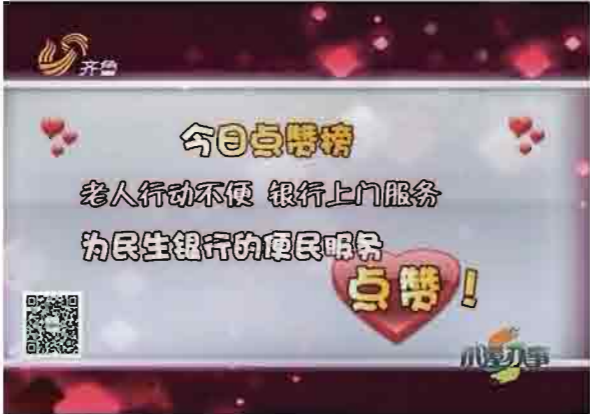
- Continuing to implement the free charge policy for remittance to Minsheng Bank accounts, remittance to other bank accounts, and donations to special accounts relating to disaster relief via mobile banking
- Implementing free charge policy for transactions via mobile banking service of “Interbank Transaction”
- When implementing new charging standards, informing customer by various channels of Internet banking system, official website, and operation outlets, issuing notice in the whole bank, and conducting trainings

Optimizing Customer Experience

Minsheng Bank constantly simplifies operation process of Internet finance business and reduces information fill-in time, so as to realize the goal of convenience and easy to use.



Customer experience electronic equipment of CMBC Taiyuan Branch



Special group services of CMBC get public recognition

- Mobile banking** Elaborately designing operation friendly UI, reducing operation steps of information fill-in of customers through mobile phone
- Direct banking** Optimizing the electronic account opening process, simplifying operation steps and improving customer experience on the premise of ensuring customer information security and fund safety.

Case Offering considerate service for online credit card application

Before going to participate in a business workshop in the United States, Mr. Wang found himself in need of a credit card which could be used abroad. However, as it usually took about one month to get a credit card through filling out and submitting the application form to a bank outlet, he could not get a card in a week in traditional way. When one of his friends told him that it took as quick as three seconds to get the approval notification of the online application for a Minsheng credit card, which meant that he could get a credit card within one week, he decided to have a try.

Mr. Wang logged in WeChat, a free messaging and calling APP, and followed Minsheng Bank on WeChat. He found the access to the online application in the “Quick Services” menu easily and clicked the “Credit Card Application” button to enter into the online application page. After filling out and submitting the online application form, he got a text message informing him of the initial approval of his application soon. He was surprised with the speed and efficiency of the approval process of Minsheng Bank.

Mr. Wang got a Visa All-Currency Credit Card he applied online from Minsheng Bank three days before he departed for the United States. He activated the card after presenting his credit card and ID card and being verified through face recognition at a community outlet of Minsheng Bank near his home. Then, he received a Sinopec electronic recharge code given as a gift for online application. As it took him less than a week to get a credit card and he felt the activation of the card was quite safe, he was greatly satisfied with the online credit card application service.

Further reading: Online application service for Minsheng credit card

Since its first launch in June, 2014, the online credit card application service offered by Minsheng Bank has been widely praised. The service, attracting customers from the Internet and using the facility granting models first developed by Minsheng Bank in the banking industry, provides 24/7 automatic approval and greatly shorten the application procedures based on the big data technology. As it enables the applicant to get a credit card in four days rather than in 20 days through the traditional application procedures, it greatly improves the approval efficiency and the customer service quality offered by Minsheng Bank.



民生信用卡
网络办卡 e触即发
“扫一扫”和申请卡
SAY GOODBYE

2分钟 在线申请	3秒钟 额度即知	中石化加油卡 必胜客餐券 核卡即得	2000元 必胜客 代金券 “秒”而礼 推荐赚取
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中国民生银行

Scan QR code, saying goodbye to application form

Popularizing Public Education

In 2015, Minsheng Bank conducted safe use of card publicity activity by means of official website, mobile banking, WeChat public platform and Weibo. The main contents of the publicity include the safe use of online payment, Internet finance, mobile payment, Alipay, and serial cartoons relating to safe use of cards, covering the vast majority of Minsheng Bank customers. The activity focused on the warnings on subscription setting in accordance with different conditions, improving risk prevention awareness of customers. Meanwhile, the Bank actively carried out community-based financial knowledge publicity activities, popularizing direct banking products and services together with the Running Channel of news.sohu.com.



CMBC staff conducts publicity activity on cooperation between taxation bureaus and banks



Promoting public education activity

Case Youth volunteers publicize financial knowledge

In 2015, the Shenyang Branch of Minsheng Bank selected representatives to participate in "Financial Knowledge Publicity by Youth Volunteers" campaign launched by Liaoning Office of China Banking Regulatory Commission and Liaoning Banking Association, during which I was fortunately selected to the team of youth volunteers, taking part in several financial knowledge publicity activities.

we visited Northeast Yucai School and other primary and middle schools to share the most basic financial knowledge and wealth management knowledge, cultivating the wealth management concept of primary and middle school students; visited Shenyang University of Chemical Technology and other colleges and universities to introduce general knowledge of credit card use, cultivating the consumption concept of college students, visited community-based universities for the aged to share counterfeit money identification skills, use method of ATMs, and common telecommunication frauds, improving financial risk prevention awareness of the aged.

The financial industry is closely related to the daily life of the people. Only letting the public know more financial knowledge and banking businesses, could we offer better services to them. The participation of financial knowledge publicity campaign has given me more confidence to popularize financial education to the public.

---- Wang Yanran, an employee of Lianhe Road Sub-Branch of Minsheng Bank Shenyang Branch

Improving Science and Technology Protection Capability

Strengthening disaster recovery construction: In the reporting period, Minsheng Bank carried out optimization and updating of IT service continuous emergency plans of major business systems, organized re-inspection and

revised 200-odd IT service continuous emergency plans and technical operation handbooks, and conducted four IT disaster recovery drills with 1,520 persons/times of participants. The disaster recovery covers deposit, withdrawing, remittance, loans, third-party depository, gold T+D, international settlement, general ledger, and other major businesses, and established double active centers in charging and safety protection systems, achieving seamless switch when encountering disasters. By relying on quick recovery capabilities, the information-based science and technology disaster recovery system guarantees the fund safety of customers.

Enhancing IT construction: In 2015, Minsheng Bank passed the CMMI3 level certification, and the supervision and examination of ISO 20000 and ISO 27001 international certifications, marking a new development stage of IT construction of Minsheng Bank. In the reporting period, there was no work safety incident of level-III or above happened; the available rate of core systems reached 100 percent, and the satisfaction rate of work orders was at 97 percent or above. The Bank carried out four head office-based system switching drills and 12 batches of branch-based network switching drills, guaranteeing the safe, continuous, and stable operation of network and information system.



Safe and convenient internet financial products, smart and easy-to-use self-service equipment and independently developed security products of CMBC

鉴定委员会专家测试报告
<p>受鉴定委员会委托,测试专家组于2015年8月24日在北京依照测试大纲,对“民生银行网上银行国产密码应用试点项目”进行了测试,并审查了项目的相关文档资料。现将测试结果报告如下:</p> <p>1、该项目通过对网上银行、手机银行等系统相关软硬件的国产密码算法改造,集成了多家安全厂商、多款国密应用产品,建设了全行统一的集中安全服务、安全设备及安全管理平台,实现了客户安全工具签约和使用策略的统一管理以及客户的统一认证等功能。该项目的实施强化了民生银行手机银行、网上银行等系统的安全性,提升了民生银行的安全保障和自主可控能力。</p> <p>2、该项目基于面向服务的架构设计理念,采用安全工具产品模块化设计技术,实现了数字证书、动态令牌、静态密码、短信密码、IC卡等多种安全认证方式;通过统一USBKey、OTP等接口规范,降低了安全工具管理复杂度;该项目采用国产密码技术研制了网银专用客户端,提升了网银系统易用性;通过研制客户安全工具新型KEY,采用NFC、蓝牙等通信技术,结合PKI、IC卡、OTP等安全技术,满足了网银、手机银行等多渠道共用的客户安全性要求。</p> <p>3、该项目在主机准生产环境下测试,后台主机交易响应速度平均每个交易为55ms,用户从客户端提交交易后台平均交易响应时间为0.9s。</p> <p>4、该项目文档资料齐全,符合有关标准与规范。</p> <p>测试小组认为,该项目理念先进、设计合理,系统自2013年5月在全辖推广以来运行稳定,经济效益显著,具备科技成果鉴定条件,现提交鉴定委员会鉴定。</p> <p>测试组长: 成员: 2015年8月24日</p>

Testing report of experts on pilot application project of China's independently developed password system for CMBC internet banking

鉴定意见
<p>中国人民银行科技司于2015年10月30日在北京主持召开了“民生银行网上银行国产密码应用试点项目”科技成果鉴定会,鉴定委员会听取了该项目的研制报告、技术报告、用户报告、科技成果鉴定报告和测试报告,审查了相关资料,并进行了质询,经讨论认为:</p> <p>1、该项目通过搭建中国民生银行统一的客户安全平台,支持客户安全签约及统一认证等功能,实现对网上银行、手机银行等系统相关软硬件的国产密码算法改造,有效提升了民生银行手机银行、网上银行等系统的安全性和自主可控能力。</p> <p>2、该项目通过建设客户安全平台,实现数字证书、动态令牌、静态密码、短信密码、IC卡等多种安全认证方式的整合集成;采用GDPC同城双活技术部署,有效提升系统容灾能力;通过研制基于国产密码技术的网银专用客户端,提升了网银系统的安全性及易用性;通过研制客户安全工具新型KEY,集成PKI、IC卡、OTP等安全技术,支持USB接口、NFC、蓝牙等通信方式,满足了网银、手机银行等多渠道共用的客户安全性要求。</p> <p>3、该项目采用基于国产密码算法的双向SSL协议、数字证书认证和交易敏感信息加密等技术手段,符合系统安全性要求。</p> <p>4、该项目文档资料齐全,符合有关标准和规范。</p> <p>鉴定委员会认为:该项目有效促进了国产密码在网上银行的应用,实用性强,自2013年5月在中国民生银行推广以来,运行稳定,达到国内同类系统领先水平,同意通过技术鉴定。</p> <p>建议进一步扩大应用范围和范围。</p> <p>鉴定委员会主任委员: 2015年10月30日</p>

Science and technology achievements appraisal opinions on pilot application project of China's independently developed password system for CMBC internet banking

Case Building financial safety system

Shouldering the mission in promoting “independence and controllability” of banking industry, Minsheng Bank actively promotes the application of independent and controllable technologies, spares no efforts to the application and transformation of domestic cryptographic algorithm, and is committed to the popularization in financial industry. In 2015, the Bank launched new generation safe payment tools, domestic password safeguarding platform, and domestic password application achievements for Internet finance. In December, 2015, Minsheng Bank, as the only national joint-stock commercial bank, was invited to participate in national commercial password exhibition themed with “safety, innovation, professionalism, and dedication.”

Feature Story Minsheng e-account service facilitates startups

“Minsheng Bank explains the principle of ‘customer first’ with its own products and actions. The business e-account can really soothe our pain. It’s brilliant!”

—Fang Guohong, a college student entrepreneur

“It’s hard to set up a startup, and unexpectedly, banks made it even harder.” Mr. Fang Guohong said, shaking his head.

As a fresh graduate, Mr. Fang started a software development company with several of his classmates and himself as the legal representative of the company, after registering at the Bureau of Industrial and Commerce Administration in early November, 2015. However, his startup was not as smooth as he had expected. After obtaining the business license of the company, he encountered the first big obstacle that it was not easy to open an account at the banks to which he applied for business account opening.

In early December, 2015, Mr. Fang’s applications for opening a business account either was rejected directly or to be processed for a long period at high charges successively by several banks in Guangzhou. The reason was quite simple that his company was an asset-light hi-tech startup. The banks required for a minimum deposit of RMB1 million on the basic savings account or a minimum advance deposit of RMB500 thousand and would charge more than RMB1 thousand for each account each year.

Finding no way out, Mr. Fang was told by a friend to go to an outlet of Minsheng Bank for information concerning the opening of a basic account.

The following was the dialogue between Mr. Fang and Mr. Guo, a manager at the outlet.



Bank teller provides corporate account opening service for customer(s)

Mr. Fang: Hi, Mr. Guo. I started a hi-tech company recently, and I want to open a business account with your bank. Is it complicated?”

Mr. Guo: Mr. Fang, as Minsheng Bank has optimized the procedures of opening a business account, it only takes you 20 minutes to finish it. In addition, as we have launched the “Business e-account” program, it is totally free to open a business account now.

Mr. Fang: Business e-account? What is it? Is there any threshold for it?

Mr. Guo: As we are in an era of e-business, Minsheng Bank understands the hardships startups face and their needs and wants to help startups like yours to improve management efficiency and save management costs. Our Business e-account is a product designed for this purpose. After opening a business e-account, a startup can use 14 kinds of services for free, such as online settlement, capital verification, account opening, capital verification certificate, account management, e-receipt, and so on.

Mr. Fang: The free services not only save our expenses but also improve our experience. Minsheng Bank explains the principle of “customer first” with its own products and actions. The business e-account can really soothe our pain. It’s brilliant!

Every startup desires fast and affordable banking services. Inspired by the “mass entrepreneurship and innovation” initiative launched by the Chinese government, many college students who understand only a little about the market start business and encounter many hardships and obstacles. We do not want to see 99 percent of the startups disappear in a year. It not only discourages young men but also kills their enthusiasm for work.

As a bank dedicated to offering banking services to private companies, cooperation with enterprises will create a positive cycle, Minsheng Bank is willing to be the first bank to push the creation of the cycle and facilitate the development of bank and enterprises. The business e-account service is an integrated e-banking product launched by our Guangzhou branch based on the settlement



Lobby employee demonstrates convenient corporate Internet banking service to customer(s)

accounts of enterprises and is characterized by free settlement, loans based on account statements and other diversified services. It offers value-added, convenient and favorable customized banking services to enterprises and facilitates the mass entrepreneurship and innovation initiative to go to a new stage.

For more than 20 years, the Guangzhou branch of Minsheng Bank, following the responsibility concept of “serving and caring for the public”, has been making contributions to the industrial restructuring in Guangdong province and improvement of banking services offered by Minsheng Bank by means of accurate market positioning, continuous product innovation and service updating. In the future, the Guangzhou branch will continue to offer more banking services, lower the thresholds for financial services and optimize the banking services it offers, aiming at playing an active role in stabilizing growth, improving people’s livelihood, and supporting the development of real economy and taking inclusive financing as one of its long-term strategies to follow.

Coordination: Optimizing Credit Layout

Coordination is an integral aspect of sustained and healthy development. We must focus on promoting balanced development between urban and rural areas and between economic and social development, ensuring balanced progress in promoting a new type of industrialization, IT application, urbanization and agricultural modernization, and strengthening China's soft power as well as hard power.

--- CPC Central Committee Recommendations for the 13th Five-Year Plan for National Economic and Social Development

- Promoting Regional Coordinated Development
- Boosting Industry Coordinated Development



Promoting Regional Coordinated Development

In 2015, China formulated and implemented the regional development strategies including the “Four-Region Strategy” (eastern China, central China, western China, and northeast China), and the “Three-Support-Belt Strategy” (the Belt and Road, integrated development of Beijing, Tianjin municipalities and Hebei province, and the Yangtze River economic belt), bringing about a batch of major landmark projects. Minsheng Bank, by relying on national strategies, has taken initiative to grasp new opportunities to serve real economy, promoting regional coordinated development by enhancing credit support.

Case Following national strategies to improve transport infrastructure

In 2015, Kunming Branch of Minsheng Bank actively responded to national strategies, concentrating the business layout at transport infrastructure sector of Yunnan province. Within only one month, the linking-up, reporting, examination and approval, and granting of the loan of RMB6.81 billion for the construction and expansion project of Xiaopu (Songming of Yunan)-Wulong (Kunming of Yunnan) Expressway was completed, creating the fastest speed in terms of examination and approval and the largest loan amount in terms of single examination and approval in road construction projects. Through the high efficient financing support, Minsheng Bank exerts a good demonstration effect, vigorously promoting the transport infrastructure construction of Yunnan province.

Case Supporting transport infrastructure construction of Gansu

To echo the national development strategy of “Belt and Road Initiative” and the guidelines for fully implementing “6873” transport development program of Gansu province, Lanzhou Branch of Minsheng Bank actively establishes cooperative relations with large enterprises in Gansu, serving transport infrastructure construction by using road construction fund products, debt issuing business, and traditional credit line business as points of entry. In 2015, the RMB1.5 billion credit line of Transport Bureau of Gansu province and the project loans of RMB2.0 billion of Gansu Provincial Highway Aviation Tourism Investment Group Co., Ltd. were approved respectively.

Case Supporting water conservancy projects of Guizhou

Guizhou Branch of Minsheng Bank keeps a foothold in regional distinctive industries, helping support economic development. The branch has established cooperative relations with Guizhou Water Investment Group Co., Ltd., providing financing support for backbone water source project construction of Guizhou province. Within just two months, it completed all the work from preliminary negotiations to plan approval with Guizhou Water Investment Group, proving the “Minsheng speed” again, and showing the dedication of the branch to improving the livelihood of people in Guizhou province. As the limitation of on-balance-sheet scale, the branch has actively conducted communications with the head office to obtain off-balance-sheet capital. It also surrendered great part of profits to the project of Guizhou Water Investment Group in considering the actual situations of Guizhou province.



Investment progress of “6873” transport development program of Gansu Province in 2015

Boosting Industry Coordinated Development

“If China wants to be strong, agriculture must be strong. If China wants to be beautiful, the countryside must be beautiful. If China wants to get rich, the farmers must get rich.” China is a large agricultural country, and the issues relating to agriculture, rural areas, and farmers are major ones in the country’s modernization process. Since 2008, Minsheng Bank began to set up rural banks, offering modern financial services to rural areas and farmers. The Bank constantly develops new ideas, new models and new products that serve the agriculture, rural areas and farmers, making it as the nearest bank closely relating to the livelihood of farmers. By the end of 2015, Minsheng Bank had established 29 rural banks; the effective loan customers was 19,691 accounts (excluding discounted accounts), and the deposit balance reached RMB24.3 billion.

Community finance: By setting up banking outlets in communities and rural areas, Minsheng Bank offers financial services to the broad masses of farmers, effectively improving financial service quality in townships and rural areas.

Micro finance: Focusing on the customers with loan demand below RMB300 thousand, Minsheng bank strives to meet the loan demands of small and micro enterprises and citizens who conduct business operation or have consumption needs.

Public welfare activity: Through financial knowledge lectures, volunteer medical services tours to countryside, festival greeting, and other public welfare activities, Minsheng Bank keeps a foothold in vast rural areas, benefiting the local people.

Case Exploring new model of agricultural industry chain financial service

In combining with national agricultural policies and the latest policies relating to rural land contractual management right, Changchun Branch of Minsheng Bank facilitated the credit line granting to Changchun Fudi Industry Group Co., Ltd., which was the first land circulation project conducted by a secondary branch in Jilin province as well as one of the first land circulation projects conducted by local financial institutions there, setting up a standard for future land circulation financing of modern agriculture in Jinlin province.



Dongfu Rice Co., a credit customer of CMBC

Case Providing timely help for enterprises

Under the guidance of policies relating to agriculture and animal husbandry, rural and pasturing areas, and farmers and herdsmen, Hohhot Branch of Minsheng Bank, by developing and reorganizing new financial products, applied liquidity loans of RMB20 million for Xinlinguole Meat Products Co., Ltd. timely resolving the financial constraint of the company. With the loans, the company expanded the production capability, becoming the first mutton deep processing enterprise in Xilinhaote, which boosts local economic development, improves livelihood of herdsmen, and creates job opportunities.

Feature Story Ms. Liu's entrepreneurship dream

"As of Minsheng of Rural Bank supported me when my business was in the most difficult time, I want to continue to cooperate with Minsheng Bank."

--- Liu Dongying, a farmer

When Ms. Liu visited Mr. Dong, a young loan operator of Minsheng rural bank in Yidu city who had granted a loan to her, on her way to deliver

goods to the downtown area, she said: "my loan of RMB40 thousand is going to be due, and can I get a new loan after I pay it off? I believe my business will

become better and better if I can get through the next two years. People from the branch of Postal Savings Bank of China and rural credit cooperatives visited me and told me they were willing to support me. But, As Minsheng Rural Bank supported me when my business was in the most difficult time, I want to continue to cooperate with Minsheng Bank."

Ms. Liu's name is Liu Dongying. At the age of 49, she is thin and talks a lot, with smiles on her face all the time. As her husband was paralyzed from a stroke years ago, Ms. Liu gave up her steady job and started to take care of her paralyzed husband. When she learnt that the black pheasant has high medical nutrition, she decided to use black pheasant soup and eggs to treat her husband. After being taken good care of for years, her husband gradually recovered and can take care of himself now. Experiencing this, Ms. Liu made her decision to start a large-scale black pheasant raising business. In 2010, she started to run a farm and registered the trademark of "Shangxi."

How hard is it for a middle-aged rural woman without any background or experience in animal husbandry to run a business? A large amount of baby pheasants died of poor management or lack of vaccination; farmers regretted and gave up raising black pheasants due to lack of funds; and when some businessmen found Ms. Liu's pheasants were so popular that they often could not meet the demands, they were so jealous that they sold fake pheasants in the name of "Shangxi," which hurt greatly Mr. Liu's reputation. Mr. Liu established her reputation by feeding pheasants corn and bean dregs in their life cycle up to eight months and never using any feed with any hormone. When Mr. Dong met Ms. Liu for the first time at her home, he found Ms. Liu was obviously anxious with a gaunt face and even was in no mood to sort out her home which was so untidy and messy.

Ms. Liu told Mr. Dong that she had experienced many failures and challenges so far, but her dream remained unchanged. After learning that Minsheng rural bank is dedicated to offering services and support to peasants and small and micro businesses, Ms. Liu went to Minsheng Yidu rural bank for seeking financial support. After understanding her situation, we recommended her to apply for the discount loans provided by the government for encouraging startups and



Ms. Liu's entrepreneurship dream

reemployment. We also told her that Minsheng Bank was one of the banks which were allowed to grant the loans and a reasonable guarantee was required for each loan. From then on, Ms. Liu established a long-term relationship with us.

Perhaps, it was the determination Ms. Liu showed made many people be willing to help her, and Mr. Wang, Director of the Standing Committee of the People's Congress of Yidu city, and his wife were the representatives of the people who helped Ms. Liu selflessly. Mr. Wang did not know Ms. Liu before he came across her for the first time at an activity to help people in need. After knowing Ms. Liu lacked working capital, Mr. Wang agreed to help her to get a discount loan from Minsheng Bank as a guarantor. Ms. Liu was granted a credit line of RMB40 thousand. After the loan was paid, we, continuously caring about and supporting Ms. Liu, provided her with useful information, helped her to find buyers, provided her with information concerning various kinds of events relating to her business, and recommended her to join the local e-commerce association and to sell goods through the Internet.

So far, Ms. Liu has reached agreements with several farmers, which provide that Ms. Liu is responsible for providing baby pheasants to the farmers and buying the grown pheasants from the farmers to sell in the market, and the farmers are responsible for raising pheasants and ensuring their quality as required. As the supply is sufficient and the sales channels have been established, Ms. Liu's business is getting better and better. As countless ordinary people like Ms. Liu have went through the hardest time in their business and have realized their dreams with the personal loans granted by Minsheng Bank, our service has its own value and meaning.

Green: Helping Build Ecological Civilization

Achieving Low-Carbon Development with Green Operation

Building Beautiful China with Green Credit

Green, which represents an eco-friendly outlook, is a necessary condition for ensuring lasting development as well as an important way in which people pursue a better life. We must maintain the basic state policy of saving resources and protecting the environment, and maintain sustainable development, advancing the program of building a beautiful China.

—— CPC Central Committee Recommendations for the 13th Five-Year Plan for National Economic and Social Development



Group photo of "CMBC youth forest" team of CMBC Changchun Branch

Building Beautiful China with Green Credit

Minsheng Bank supports green credit from a strategic height, enhances environmental and social risk management, clarifies key development fields of green credit, and gives priority support to industries meeting the demands of energy-saving and environmental protection. The Bank conducts differentiated resource allocation policies by means of encouraging green credit and giving priority support to develop green credit products and services. By the end of 2015, the balance of green credit loans of Minsheng Bank had reached RMB11.404 billion in total.

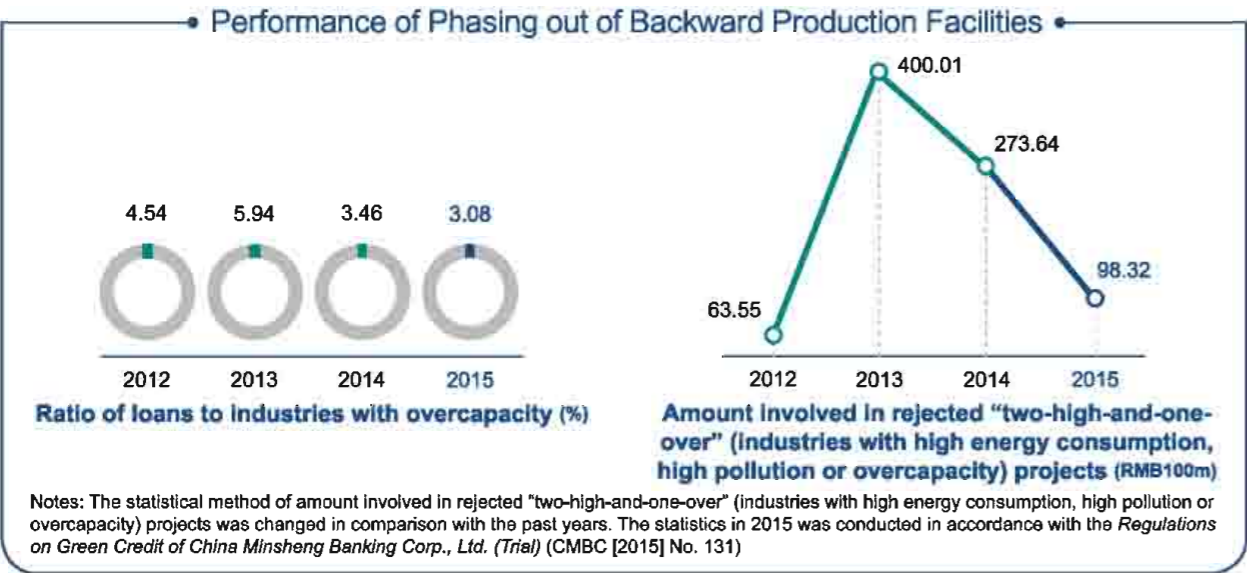
1. Enhancing Environmental Risk Management

Minsheng Bank lists iron and steel, photovoltaic, nonferrous metals, plate glass, cement, and coal chemical as key industries, conducting differentiated management in the aspects of credit line access, limit management, and credit line management. As to the industries with high pollution, the Bank clarifies environmental and social risk assessment standards and compliance examination lists, carrying on full process examination in the aspects of due diligence investigation, compliance examination, credit line approval, contract management, fund appropriation, and post-loan management. In 2015, the qualified rate of Minsheng Bank in terms of environmental assessment for project loans reached 100 percent.

2. Supporting Phasing out of Backward Production Facilities

Minsheng Bank enhances risk management and control in the aspects of policy orientation, customer access, risk limits, loan origination, and post-loan management, strengthening credit risk management in industries with overcapacity or high energy consumption, and high pollution. The measures include implementing risk limits management policy, strictly complying with access standards of extending new credit line, setting up one-vote veto system in terms of environmental protection standards, enhancing outstanding credit lines risk examination, and so on.

As to industries with high energy consumption, high pollution or overcapacity, Minsheng Bank adopts differentiated loan policies of taking different approaches to different industries, optimizing loan structure; conducts multi-layered classifications management on customer groups; promotes integration of industries with overcapacity by using specialized advantages of divisions, relying on M&A funds, and focusing on leading enterprises; implements rigid control on total risk limits, and encourages customer structure adjustment.



3. Supporting Development of Energy-Saving and Environmental Protection Industries

In the reporting period, Minsheng Bank enhanced research efforts, actively exploring science and technology finance model of investment plus loans. On the one hand, the Bank effectively implemented credit support policies on key energy-saving and emission reduction projects and key promotion technologies, offering green credit policy support to industrial enterprises that conform to national industrial upgrading and transformation initiative, and providing credit support for key energy-saving and emission reduction projects, technological innovation and transformation, and product promotion. On the other hand, the Bank set up science and technology finance research group and professional assessment team, actively explored the investment plus loans model in emerging industries, formulated industry assessment guidelines, and encouraged enterprises to conduct technological upgrading, energy-saving transformation, product R&D, and M&A by FTP favorable pricing mechanism and business model innovations, boosting the development of emerging industries.



Holding seminar with representatives of enterprises

Case

Helping build beautiful China with financial support

In recent years, the policy support and requirements of energy-saving and emission reduction have brought along great development space for the new energy and electric automobile industry and related enterprises. China also encouraged banking institutions to set up assessment system for new energy and electric automobile industry, developing innovative financial products to meet demands of related enterprises.

In 2015, the transport finance department of Minsheng Bank clearly put forward the forward-looking idea of shifting the focus on traditional automobile enterprises to electric automobile enterprises, offering special support and comprehensive services of "commercial bank plus direct financing" to leading enterprises in segmented industries with high growth.



Participating in industry meeting upon invitation

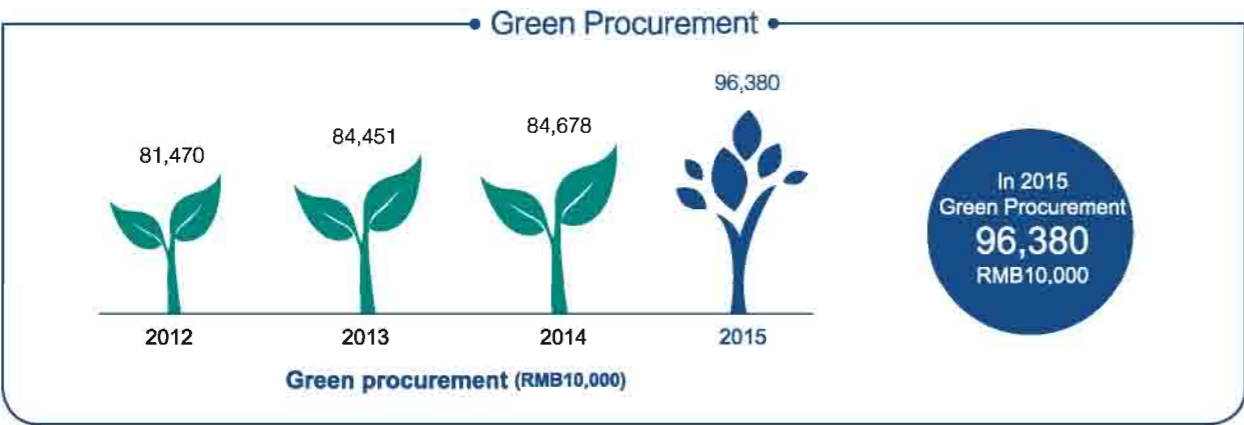
4. Conducting Joint Research in Energy-Saving and Environmental Protection Field

Minsheng Bank has established cooperative relations with World Bank in the field of energy-saving and environmental protection to jointly develop the energy efficiency financing program of World Bank since 2014, offering credit and financial services to energy-saving transformation of enterprises in iron and steel, nonferrous metals, building materials, chemicals, petrochemical, electric power, and so on. Furthermore, Minsheng Bank actively participated in the scientific research project of "Risk Identification and Management on Energy Efficiency Credit Business (Green Finance) of Chinese Commercial Banks" hosted by the National Development and Reform Commission, conducting in-depth research on characteristics and key businesses of energy efficiency projects, business access, key risk examination points, process management, and product innovation, and offering practical guiding suggestions.

Achieving Low-Carbon Development with Green Operation

1. Green Procurement

Minsheng Bank strictly implements the *Regulations on Supplier Management*, enhancing centralized procurement price management, quality management, supply management, and service management, which covers 89 suppliers of 10 categories including self-service equipment, safe deposit box, teller machine, and so on, so as to improve comprehensive benefits of centralized procurement. In 2015, the review coverage rate of suppliers for the head office reached 100 percent. By using the scale benefits, the Bank conducts priority procurement of environmentally friendly products, promoting supplier to improve corporate environment behaviors, so as to exert demonstration effect for green consumption. In 2015, the green procurement amount of the head office reached RMB963.80 million, and the rate of green procurement amounted to 25.4 percent.

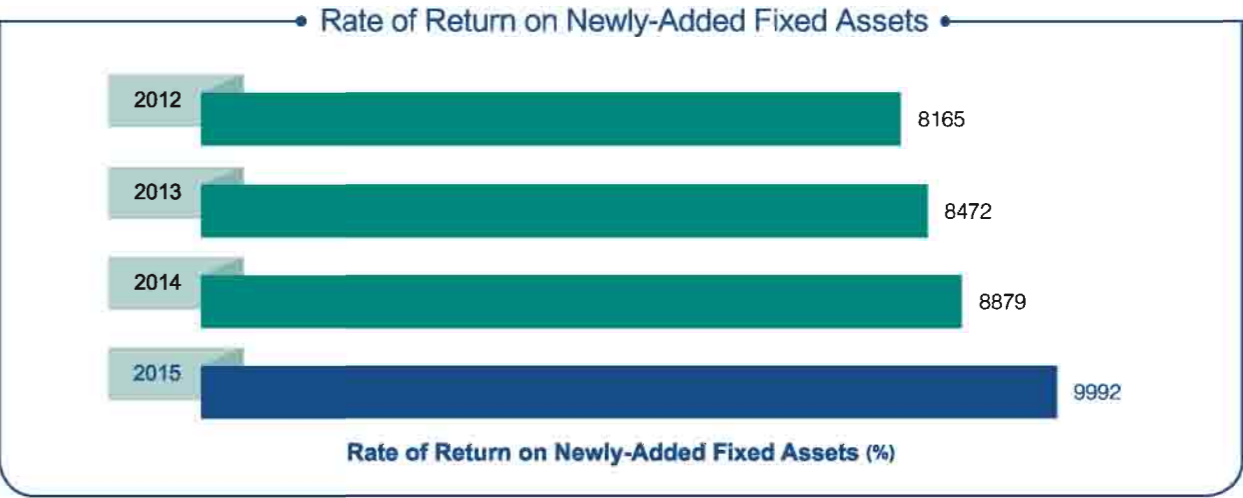


2. Green Office

Minsheng Bank vigorously advocates the idea of thrifty, committing to creating a good office environment featuring energy-saving and environmental protection. In 2015, the Bank focused on promoting the following three tasks centering on “saving costs and improving benefits.”

Strengthening Management on Fixed Assets Benefits

Minsheng Bank appropriately reduces fixed assets procurement, doing well on the allocation, use, keeping, maintenance and repairing, supply, check-up, deposal and recycling of fixed assets, so as to improve using efficiency. As of the end of 2015, the original values of durable fixed assets that have surpassed service life but is still in normal operation reached RMB1.31144 billion, saving costs of RMB249.17 million. The recycling of wasted computers was two tons, and that of the wasted toner cartridge reached 850 units, significantly saving purchasing costs and reducing the use of natural resources.



Enhancing Branch Building

Minsheng Bank has formulated unified standards characterized by economy, energy-saving, and environmental protection for the building and decoration of operating outlets and workplace, and set up related management and supervision departments, guaranteeing the implementation of the standards. The Bank strives to ensure the application of sophisticated new materials and new technologies into the project construction. As to the large scale projects, it conducts centralized management. By adopting these measures, Minsheng Bank fully realized the goal of integrating the idea of energy-saving and environmental protection into physical channel building.

To effectively reduce the electricity use of the head office, Minsheng Bank changed the fresh air system of Xidan office buildings in October, 2015, and equipped self-cleaning system for central air conditioning system in December of the same year; the cleaning rate reached 100 percent. By taking these measures, the electricity consumption of compressors could reduce 10-30 percent. Meanwhile, with the characteristics of no pollution, no radiation, and no erosion the self-cleaning system, the service life of main equipment and metal parts would be extended, thus improves the operating efficiency of central air conditioning system.



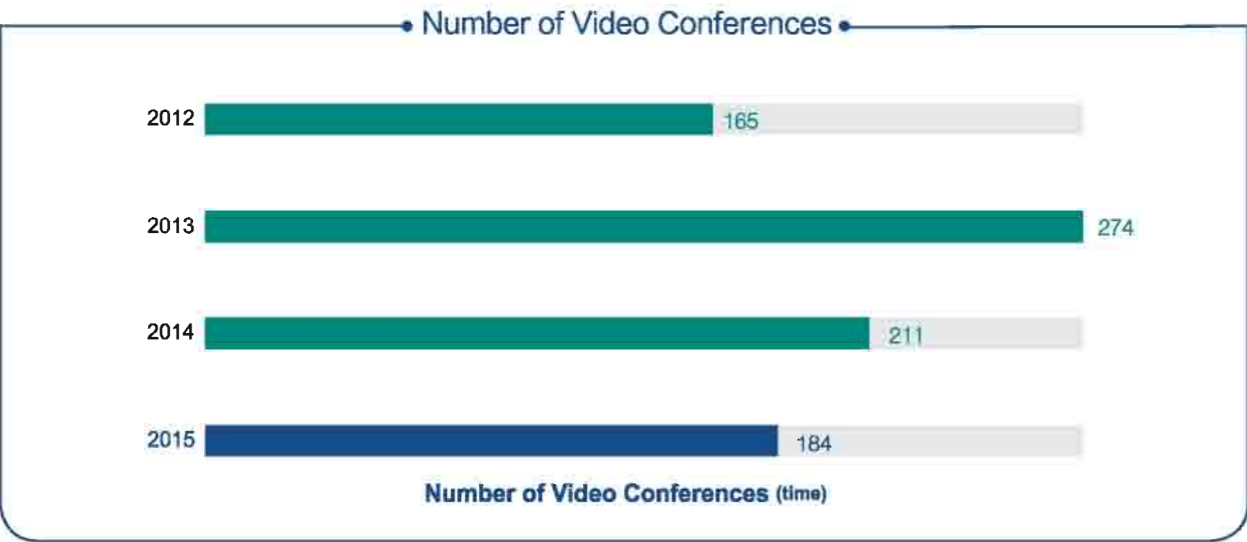
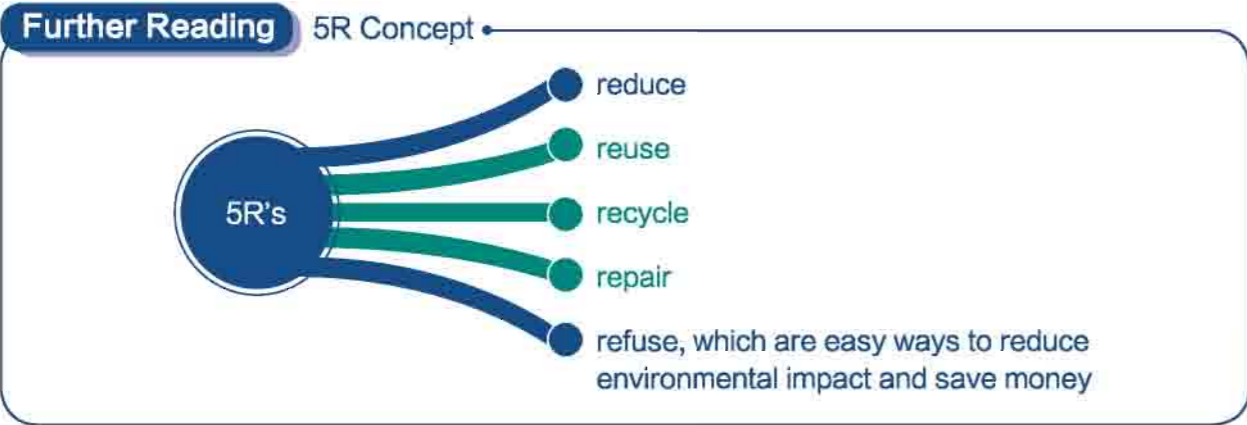
LED lights of CMBC Urumqi Branch



Glass partitions of CMBC Urumqi Branch

Improving Environmental Awareness of Employees

Mobilizing and inspiring the responsibility sense of environmental protection of employees is an important foundation for the building of a resource-efficient enterprise. Minsheng Bank strives to create energy-saving and environmental protection atmosphere, and promotes 5R concept to manage office consumables; advocates the idea of “simple office,” taking initiative to lower equipment allocation standards, reducing meeting time, and fully exerting the potential of OA office system, disposing and resolving problems online, and streamlining length and improving circulation rate of documents. The Bank also takes various publicity means to inspire self-awareness of employees, actively advocates electricity-saving, water-saving, and office consumables-saving as well as good dining manner, and controls the waste of energy.



3. Environmental Protection and Public Welfare

Minsheng Bank fully exerts its advantages of main business. By conducting diversified and colorful environmental protection and public welfare activities, the Bank enhances communications with stakeholders, improves awareness of environmental protection of the society, and promotes sustainable development.



CMBC Harbin Branch holds an activity themed “fighting smog and caring for the public”



Employee of CMBC Changchun Branch plant trees

Case Regeneration of a package of garbage

A package of 240g-weight waste consists of magazines, stainless steel cups, plastic bottles, and milk packaging boxes. A special journey is going to begin from the home of Ms. Tian who lives in a community of Jinjiang District, Chengdu city of southwest China’s Sichuan province.

Ms. Tian has posted a QR code onto the waste package before leaving home, giving it a unique identity. There is a grey waste bin being used to store these classified garbage at the community. With a beep sound of QR code scanning, the weight of the waste was calculated immediately, and then converted into credits, automatically counting in the account of Ms. Tian.

These accumulated credits by Ms. Tian may be used to exchange for new pans at the community banking outlet of Minsheng Bank. On the night of the same day, the 240g-weight waste was transported to a semi-outdoor waste yard at the outskirts of Jinjing district with another three-ton-weight waste. The package was scanned again there, and then sorted out, putting together with glass waste. A few days later, the package would be sent to a glass factory as recycled materials to make new products.

The unique waste recycling program was jointly launched by Chengdu Branch of Minsheng Bank and Green Earth Organization, an environmental protection organization, aiming at promoting environmental protection by using credit exchange mechanism and lean information management. The two institutions designed effective implementation plan for this sound interactive mechanism: opening accounts for users, formulating detailed waste sorting guidance, using credit system and the platforms of banks and other commercial organizations to reward users, so as to steadily promote waste sorting.

Since 2014, Chengdu Branch of Minsheng Bank has innovatively introduced the “green earth, green fortune” program with Green Earth Organization, integrating environmental protection concept into financial products. In the future, the branch will launch other environmental protection programs such as “green dream” and “changing waste into gold.” “We hope we could mobilize more forces to jointly achieve the goal of green and environmental protection. Minsheng Bank is one of the right organizations we choose to cooperate,” a worker with Green Earth Organization said.

Scene of environmental protection activity

Feature Story

Green exercises and low-carbon lifestyle

"This activity sponsored by Minsheng Bank is very impressive. I live in Qingchun Road and come to the outlet of Minsheng Bank in Fengqi Road for business. I saw groups of people in bright green jackets, with backpacks and wearing white caps running and cycling. Inspired by them, I even want to join them. This kind of green and low-carbon lifestyle is wonderful."

--- Li Yang, a customer of Fengqi Sub-Branch of Hang Branch of Mingsheng Bank

As its 15th anniversary was coming, the Hangzhou branch of Minsheng Bank held a well-publicized "Low-Carbon Running in Hangzhou" activity on March 7, 2015. More than 200 participants from 46 teams ran to 15 sub-branches representing 15 years' development of the Hangzhou branch to celebrate the anniversary with a green and environmentally friendly activity.



CMBC Hangzhou Branch organizes a low-carbon running activity in the city

When the starting gun was fired on nine o'clock, the participants started for the 15 outlets in Hangzhou city, which embodied the beginning of the running activity. The participants, composed of our customers and their families and our employees, showed their enthusiasm for the green and environmentally friendly way of going out by all kinds of means they can use, such as running, cycling and taking buses and subways.

Our customers and their families were invited to participate in the activity and to run to the 15

destinations with our employees. Not taking the racing results as the only criterion, we intended to spread the idea of green exercises and low-carbon lifestyle to residents in Hangzhou through this activity.

Each outlet not only welcomed the participants arrived enthusiastically in a unique way, but also prepared fun games for them, such as running in high-heels, free gifts for credit card application, tearing down name tags, treasure hunting, water grabbing. In order to be the first to arrive, the participants, like the actors in the "Running Man" (an entertainment program in China), gave full play of their wisdom and team work and overcame all the difficulties on their way to the destinations.

During the activity, the participants sent pictures of the splendid moments in the activity to their WeChat Friends' circle to make more people to be touched with the idea of "green exercises and low-carbon lifestyle" the activity promoted. The teams who sent pictures attracting the top three numbers of likes were awarded the "Most Splendid" prize, and more than 10 thousand likes were voted for the "Prize of Popularity."

"This activity sponsored by Minsheng Bank is very impressive. I live in Qingchun Road and come to the outlet of Minsheng Bank in Fengqi Road for business. I saw groups of people in bright green jackets, with backpacks and white caps running and cycling. Inspired by them, I even want to join them. This kind of green and low-carbon lifestyle is wonderful." Mr. Li Yang, one of our customers, said.

The last team's arrival at their destination at two pm

marked the finish of this running activity.

Through spreading the idea of green going out and low-carbon exercises, the running activity inspired many residents in Hangzhou to choose jogging and walking as their ways of going out and to promote and practice the idea of green and low-carbon lifestyle, aiming at creating a new atmosphere of trying to conduct a green and low-carbon lifestyle, to live a healthy life and to go green. The activity fully showed that our employees are enthusiastic and seek continuously for innovations to find new ways for a splendid future.



"Extraordinary Team" of the cycling group



Running, cycling and public transport lines

Opening Up: Exploring International Operation

Opening up is the path China must take to achieve prosperity and development. We must comply with the trend of the Chinese economy being increasingly incorporated into the global economy, and uphold a win-win opening up strategy.

— CPC Central Committee Recommendations for the 13th Five-Year Plan for National Economic and Social Development

Helping Promote Development of Emerging Industries

Supporting Chinese Enterprises to Expand International Market



Some overseas members of the legal advisory group of All-China Federation of Returned Overseas Chinese speak very highly of the services of CMBC

Supporting Chinese Enterprises to Expand International Market

From the establishment of Asian Infrastructure Investment Bank to the implementation of “Belt and Road Initiative,” “internationalization and “going out” have become new trends. Centering on the “going out” strategy, Minsheng Bank actively marches into international market. In 2015, Minsheng Bank formally launched the new generation of international settlement system, further promoting the international business development of the Bank and the “going out” of Chinese enterprises.

Case Building cooperative platform to help small and micro enterprises expand markets

Minsheng Bank actively carries out national strategies, and supports small and micro enterprises along the “Belt and Road” routes, aiming at building an inclusive, open, and regional interlinked economic cooperation system, thus achieves common development with small and micro enterprises along the routes.

On June 19, 2015, Minsheng Bank and the Ministry of Commerce jointly held the 2nd exchange program for Portuguese-speaking countries. About 40 government officials in financial, economic and trade sectors, scholars, and entrepreneurs from Portugal and other Portuguese-speaking countries as well as small and micro customers in the fields of e-commerce, energy, and so on conducted exchanges and cooperative dialogs centering on the topic of “capability building of small- and medium-sized enterprises and promotion of mutual investments.”



Building cooperation and communication platform to help promote the “going out” strategy of small- and micro-sized enterprises

The program builds a platform for information exchange, exhibition, and commerce and trade negotiations, promoting the small and micro customers of Minsheng Bank to go beyond business circles, local areas, and China. Meanwhile, the program enhanced the understanding and consensus of the two sides to the roles the small and micro enterprises played in promoting regional economic development, providing new thinking, new models, and new opportunities for small and micro enterprises to integrate into the national great strategy of “Belt and Road Initiative.”

Case Serving national strategy and achieving win-win results

Many large scale enterprises have set up their headquarters in Beijing. The Beijing Management Department of Minsheng Bank strives to support high-quality enterprises to march into international market.

Supporting construction enterprises to expand international market, offering export credit support to Power Construction Corporation of China, China State Construction Engineering Corporation Ltd., and so on	Supporting high-end manufacturing enterprises to expand international market, offering financing service to CSR Corporation Limited and other enterprises	Supporting outward investments of Chinese enterprises, offering support to enterprises for project construction, resources acquisition, M&A, and so on	Offering financing support to enterprises in transport and port sectors
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Helping Promote Development of Emerging Industries

The in-depth implementation of programs such as “Internet Plus” and “China Manufacturing 2025,” the promotion and application of new models such as crowd creating, crowd sourcing, and crowd funding, and the speeding up of traditional public facilities and new generation information-based infrastructure building will expand the space of Internet economy and blue economy. With the development of emerging cross-border e-commerce business, Minsheng Bank has constructed systems and platforms with several cross-border e-commerce enterprises, and developed targeted comprehensive financial solutions.

Case Releasing cross-border e-commerce payment product

To follow the new development trend of cross-border e-commerce business, and grasp the policy opportunities of “Internet Plus,” Minsheng Bank actively conducts innovation in cross-border finance, launching an online cross-border e-commerce foreign exchange payment system. The system provides online foreign exchange settlement and sales, foreign exchange collection and payment, anti-money laundering, balance of payments reporting, and registration of personal foreign exchange settlement and sales, and other services, which includes nine foreign currencies, realizing the automatic online processing from the front-end transactions to back-end reporting. The system offers high efficient services and support to cross-border e-commerce enterprises in the aspects of payments and settlements, becoming a professional channel for payments institutions to conduct capital transfer and settlement.

Feature Story Supporting “going out” of Chinese enterprises, facilitating agricultural development of Rwanda

“It is China which enables the rapid agricultural development in Rwanda.”

--- Governor of Eastern Province

“Goodbye Dad, I am leaving for school.” Biernot, 12 years old, smiled and said goodbye to his father, Friedman, with his head leaned back. “Go with your brother and your sister together!” Friedman told Biernot. Then, looking at the one hectare of green and flourishing corn field, Friedman could not help thinking that it was the life he could not even imagine two years ago.

Rwanda is known as a country of thousand hills because of the natural beauty of its landscape made up of many rolling hills. With limited arable land, a large population as well as poor agricultural infrastructure, Rwanda has to realize agricultural development by means of intensive farming. Friedman is a peasant in Kirehe district, Eastern Province, Rwanda, with a family of six members.

He has four school age children. Two years ago, Friedman and his wife made a living by growing corn and sorghum. They always did not have enough food to eat, let alone the money to send their children to school. At present, however, his four children are all at school, and he has bought a TV set and a mobile phone. He is preparing for rebuilding his house. All these changes are totally attributable to the spray irrigation project undertaken by China Geo-Engineering Corporation (CGC) and financially supported by Minsheng Bank.

The Spray Irrigation Project at the mountainous areas of Kirehe, Eastern Province, Rwanda is a project undertaken by CGC and financially supported by Minsheng Bank. With \$30 million

of financial support and \$2.5 million non-financial guarantee provided by Minsheng Bank, CGC won three out of the five bid sections to irrigate 880 hectares of mountainous areas and build three automatic pump rooms (one for each section) and auxiliary roads. The project, located beside Lake Nasho, was designed to pump water from Lake Nasho up to spray irrigate the mountainous areas.

"Most of this region was wasteland originally, and it is the irrigation project which turned it into fertile land," Friedman said. Before the project was implemented, the corn output of his land (about one hectare) was only 200 kg and he harvested twice a year with nothing to reap in the dry season. After the implementation of the project, it increases to about 4,000 kg and he can harvest thrice a year and reap about 5,000 tons of tomatoes in the dry season, which bring him an income up to RWF900 thousand (equivalent to \$1,130). In addition, Friedman also is working for the project and is paid RWF30 thousand (equivalent to \$38) each month. Every time he talks about the project, he says emotionally: "Minsheng Bank and CGC are so great!"

The irrigation project is an exemplary project for the agricultural transformation in Rwanda as it not only solved fundamentally the irrigation problem the farmers faced but also prevents the conflicts for water sources from happening and enables different tribes to get along with each other peacefully. The English language newspaper *The New Times* in Rwanda reported and published huge pictures of the project, and the Governor of Eastern Province said: "It is China which enables the rapid agricultural development in Rwanda." It is because of the project that the local people stops migrating

and more and more people come to settle and work in Kirehe. As the project drives local economic and social development, more and more people start to run businesses there. "The owner started to run the shop in 2012 after he witnessed the huge change brought about by the project. Now, at least 50 customers visited his shop every day." Head of Mpanga Town of Kirehe County said.

"I participated in technical training courses in Kunming, Yunnan province. Like Rwanda, the climate in Kunming is very pleasant," Augustin, an electrician of the project, said. Robert, 35 years old, has been working for CGC for years. He has four children, and pays for their education with personal interest-free loans granted by CGC, which greatly touched him. CGC hired more than 2,000 employees like Augustin and Robert averagely each year.

Since the establishment of its office in Rwanda in 1999, CGC has finished 14 water conservancy, hydro-power and agricultural infrastructure projects, which cover about 3,500 hectares of farmland, and introduced several new technologies of drainage and irrigation into Rwanda. CGC conducts actively training programs to train a lot of local people to skillfully use the new technologies. With Minsheng Bank's strong support, CGC has gradually become the most influential contractor in farmland management and irrigation in Rwanda.

The warm sunlight in the afternoon was playing on the green corn field, and the pumps were pumping water from Lake Nasho up to the farmland. Standing beside his own farmland, Friedman's smiling face showed his happiness.



Irrigating in the Friedman's corn lands

人民日报 要闻 2015年5月27日 星期三 3

“中国让这里的农业跑步前进”

——记中国民生集团在卢旺达的农业灌溉项目

本报记者 王若冰 卢旺达报道

在卢旺达东部省基里希县，有一片广袤的土地，曾经是一片荒凉的山地，如今却是一片生机勃勃的玉米地。这里是中国民生集团在卢旺达实施的农业灌溉项目所在地。项目自2012年启动以来，已经为当地农民带来了巨大的经济效益和社会效益。

“中国让这里的农业跑步前进”，这是当地农民对民生集团项目最真实的评价。项目不仅解决了当地长期以来的灌溉问题，还带动了当地经济的发展，为农民提供了就业机会，改善了他们的生活水平。

民生集团在卢旺达的农业灌溉项目，是其在非洲布局的重要组成部分。项目通过引进先进的灌溉技术和设备，帮助当地农民提高农业生产效率，实现农业现代化。同时，项目还注重与当地政府和农民的沟通与合作，确保项目的顺利实施和可持续发展。

在项目的实施过程中，民生集团充分发挥了其作为大型企业的优势，投入了大量的资金和技术力量。项目不仅为当地农民提供了稳定的灌溉水源，还为他们提供了技术培训和支持，帮助他们掌握先进的农业生产技能。

随着项目的深入推进，越来越多的农民开始种植玉米、西红柿等经济作物，他们的收入得到了显著提高。一些农民还利用项目带来的资金，在附近开设了小商店，为其他农民提供生活必需品，进一步带动了当地经济的发展。

民生集团在卢旺达的农业灌溉项目，不仅是一个成功的商业案例，更是一个体现企业社会责任的典范。项目通过实际行动，为当地农民带来了实实在在的好处，为卢旺达的农业发展和农村振兴做出了积极贡献。

On May 27, 2015, The "People's Daily" reported the agricultural land irrigation project, which was conducted by the CGC in Kirehe District of Eastern Province, Rwanda, speaking highly of the good social and economic benefits of the project

Sharing: Giving Back to Society

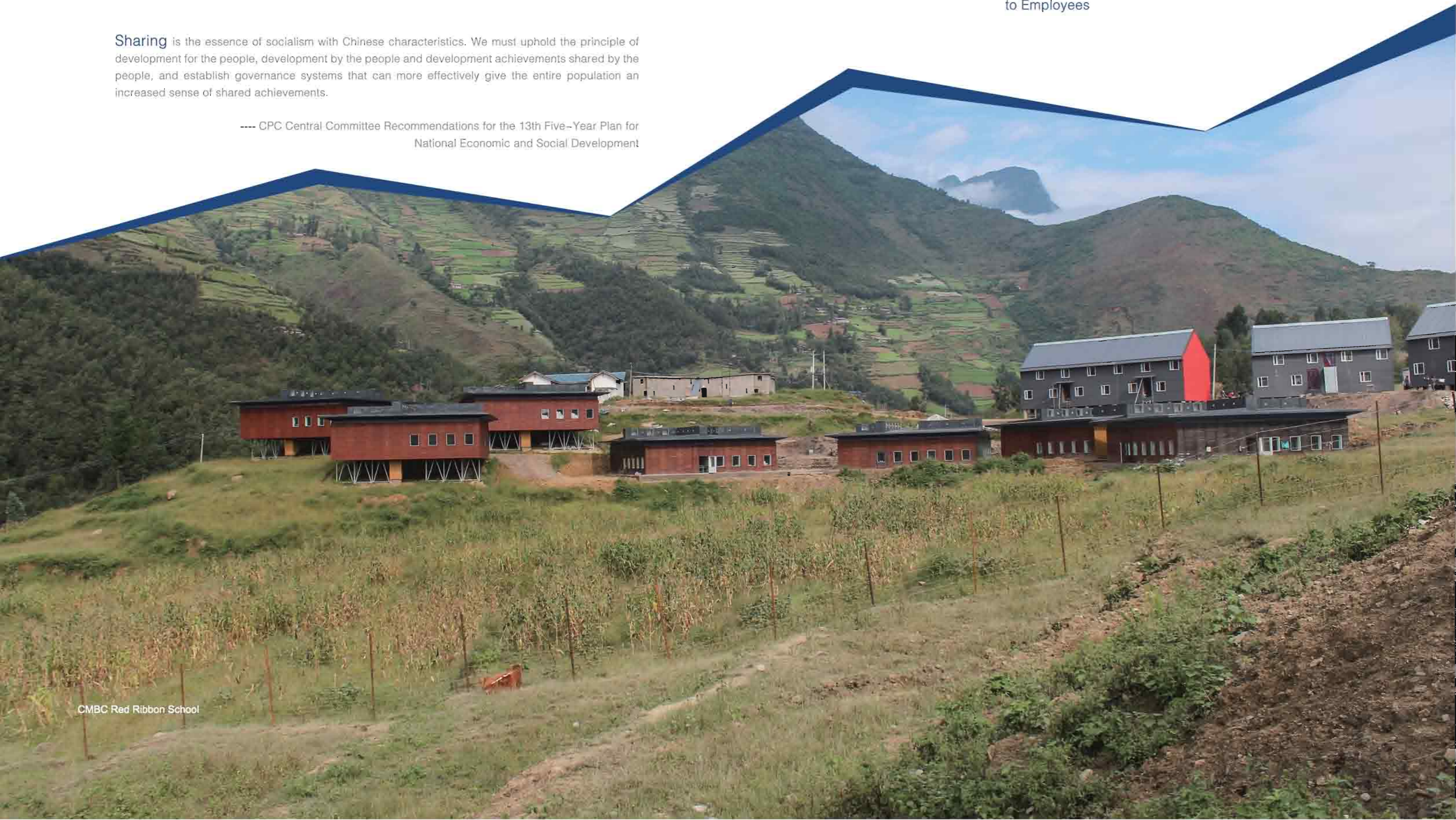
Creating Values for
Shareholders

Making Contributions
to Society

Offering Excellent Services
to Employees

Sharing is the essence of socialism with Chinese characteristics. We must uphold the principle of development for the people, development by the people and development achievements shared by the people, and establish governance systems that can more effectively give the entire population an increased sense of shared achievements.

---- CPC Central Committee Recommendations for the 13th Five-Year Plan for
National Economic and Social Development



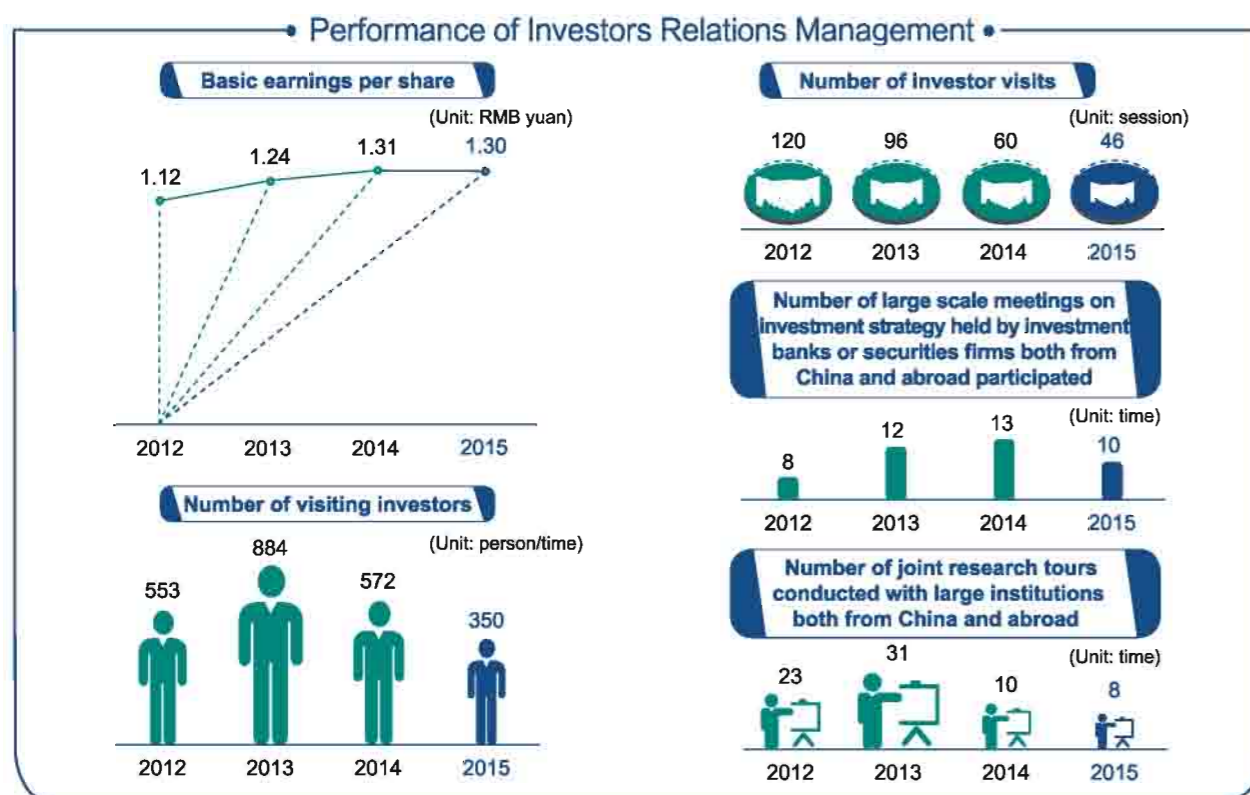
Creating Values for Shareholders

1. Investors Relations Management

In the reporting period, Minsheng Bank participated in 10 large scale meetings on investment strategy held by well-known securities firms and investment banks including UBS, Deutsche Bank, HSBC, CLSA Securities, Haitong Securities, JPMorgan Chase & Co., and Guosen Securities in Beijing, Shanghai, Ningbo, Shenzhen, Chengdu, Xiamen, and so on, hosting more than 500 investors. During the meetings, Minsheng Bank took initiative to publicize its advantages and reform achievements, helping investors find the investment value of the Bank. In terms of the number and frequency of strategy meeting participation, Minsheng Bank takes the top spot among joint-stock banks.

In 2015, Minsheng Bank hosted more than 200 investors by means of on-site reception, teleconference, e-mail, "E-interactive Platform" of Shanghai Stock Exchange, and so on, answering the investors' questions relating to development strategies, share price, dividend policy, asset quality, and other concerned issues. The Bank compiles and releases the periodical *Investors*, constantly enriches and improves the column of "Investors Relations" on the official website, updates related contents and information in a timely manner, enhances the management of Chinese and English web pages, making the website as a window for investors to understand the Bank. As of the end of December, 2015, the Bank has completed and disclosed the three editions (simplified Chinese, traditional Chinese, and English) of 2014 annual report, 2015 Q1 report, 2015 interim report, and 2015 Q3 report. In 2015, the Bank issued 58 temporary announcements relating to A-share, and 123 announcements and notices relating to H-share, completely finishing the disclosure work required by the Shanghai Stock Exchange, the Hong Kong Exchanges and Clearing Limited, and the official website.

Minsheng Bank has always attached importance to the protection of rights and interests of minority shareholders, who may exercise the right to vote by participating in general shareholders' meeting, provide suggestions for business operation, and express their opinions and pursuits. Their lawful rights and interests shall be fully protected.



2. Corporate Governance

Governance Structure

Under the guidance of and abiding by the requirements of China Securities Regulatory Commission, Shanghai Stock Exchange, and other regulatory agencies, Minsheng Bank constantly optimizes structure of board of directors, innovatively enhances institutional building of the board, promotes independent directors and special committees to exert their professional roles, builds learning-oriented and research-based board, fully exert the central role of the board in corporate governance, improves corporate governance mechanism, ensures the general shareholders' meeting, the board of directors, the board of supervisors, and the management to perform their own functions, which vigorously guarantees the fast, stable, and efficient development of the Bank. As of December 31, 2015, Minsheng Bank has 17 directors, including nine shareholder directors, two executive directors, and six independent directors. As to the board structure, the Bank fully takes account of the professionalism, independence and diversification, guaranteeing the scientific decision-making.

Governance Mechanism

In 2015, according to domestic and overseas regulatory requirements, Minsheng Bank revised the *Articles of Association of China Minsheng Banking Corp., Ltd.*, the *Rules of Procedure of General Shareholders' Meeting of China Minsheng Banking Corp., Ltd.*, the *Rules of Procedure of the Board of Directors of China Minsheng Banking Corp., Ltd.*, the *Administrative Measures for Consolidated Financial Statements of China Minsheng Banking Corp., Ltd.*, the *Administrative Measures for Stress Tests of China Minsheng Banking Corp., Ltd.*, and the *Administrative Measures for Outsourcing Risk of China Minsheng Banking Corp., Ltd.*, and formulated the *Administrative Measures for Major Real Estate Projects of China Minsheng Banking Corp., Ltd.*, further enhancing the corporate governance institutional system.

3. Conducting Lawful and Compliant Operation

Compliance Management

Enhancing building of internal control system on assets business and optimizing operation

In accordance with the newly released *Guidelines for the Internal Controls of Commercial Banks*, Minsheng Bank organized 14 competent business departments to carry out optimization work, identifying 142 projects in total. It optimized 138 projects in 2015, and the optimization rate reached 97 percent. By conducting sorting out and optimization work, the departments of the Bank formulated or revised 60 institutions, optimized 118 business operation and risk management projects, developed or improved 10 IT systems, and resolved 54 key internal control defects or problems, realizing the goal of improving assets business internal control mechanism and preventing assets business risks.

Constantly strengthening operation compliance work

In 2015, the operating units of Minsheng Bank held 547 compliance and internal control meetings centering on business operation and risk management, involving in such topics as business management, asset quality, major risk resolving and disposal, and key work points of compliance and internal control. The compliance and internal control work plays a fundamental role in decision-making and management of Minsheng Bank, effectively guaranteeing the stable operation of the businesses.

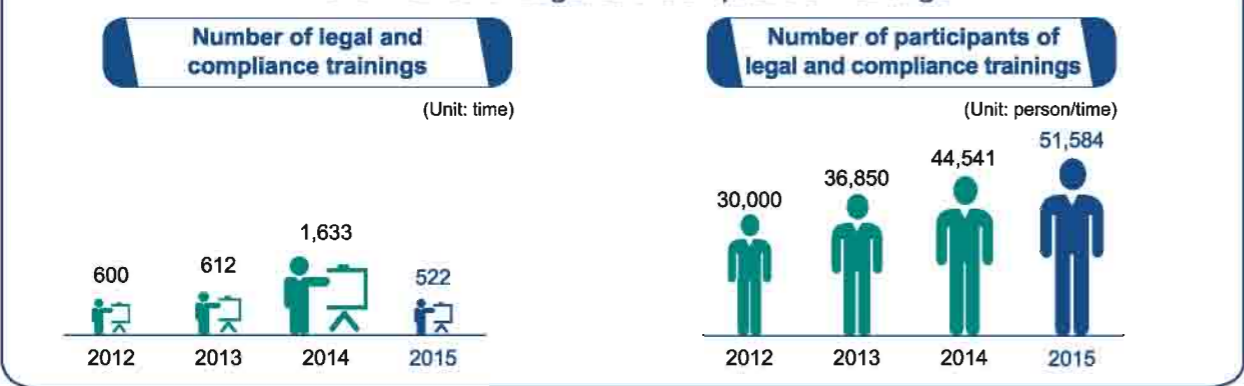
Effectively promoting compliance tutoring mechanism

In 2015, Minsheng Bank conducted 4,311 compliance tutoring activities, including 138 trainings for newly-established units, 807 persons/times of compliance dialogues for newly-recruited employees or newly-appointed managers, and 2,605 persons/times of compulsive tutoring for employees violated regulations, effectively enhancing the management of key operating units and duty-performing behaviors of employees.

Continuously advancing compliance file and violation point system building

Minsheng Bank has recorded 11,735 compliance files relating to organizational units and 38,472 files relating to employees, conducted 277 persons/times of violation point counting for employees, maintaining effective deterrence to violation behaviors.

Performance of Legal and Compliance Trainings

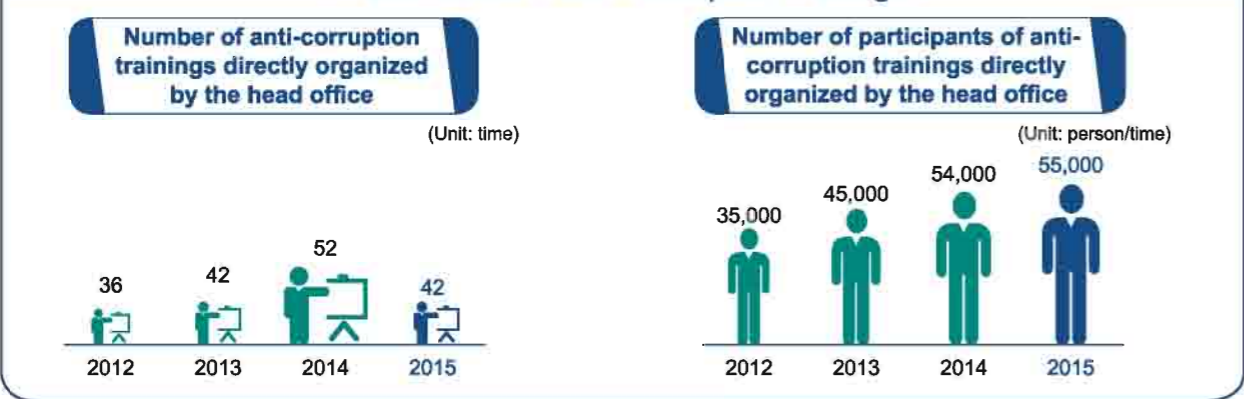


Anti-Corruption

In the reporting period, Minsheng Bank revised and released the *Regulations on Reporting Relevant Personal Matters of China Minsheng Banking Corp., Ltd.*, enhancing management and supervision on employees; formulated and released the *Notice on Channels of Letters, Calls and Whistle-Blowing*, the *Notice on Further Strengthening Whistle-Blowing Clues Disposal and Case Enforcement of Discipline Inspection, Supervision, and Letters and Calls Departments*, regulating work process of letters and calls; revised the *Administrative Measures for Case (Risk) Information and Case Enforcement of China Minsheng Banking Corp., Ltd.*, explicitly stipulating the case co-processing joint meeting system, and establishing case (risk) information reporting liaison system and major matters communication mechanism, so as to strengthen the communication between the head office and branches; and released the *Administrative Measures for Deduction and Reduction of Work Ethics Risk Fund of High-Level Employees of China Minsheng Banking Corp., Ltd.*, enhancing the work responsibility risk awareness of employees.

In 2015, Minsheng Bank launched anti-corruption and integrity upholding publicity and education campaign themed strictly abiding by Party discipline and constantly improving work style, conducting lecturing tours in 40 branches of the Bank, and the coverage rate of branch employees reached 100 percent; carried out six trainings concerning bank-level regulations and warning cases for departments, divisions, and newly-recruited employees of head office; and organized employees to engage in learning activities concerning new courses relating to bank-level regulations and anti-corruption, more than 54,000 employees of the Bank completed the training and passed the examination, and the coverage rate reached more than 95 percent.

Performance of Anti-Corruption Trainings



Anti-Money Laundering

In the reporting period, Minsheng Bank effectively carried out the first self-assessment activity on anti-money laundering, and money laundering risk assessment, vigorously promoting integrated internal control mechanism on anti-money laundering between the head office and branches.

In 2015, the Bank revised seven core regulations concerning anti-money laundering and drafted three new regulations.

Constantly optimizing rules and models of suspicious transactions; in 2015, the Bank optimized 2 processes, and added 31 rules and 5 models, forming a suspicious transaction monitoring system consisting of 135 rules and 16 models.

Firmly conducting communication and exchanges on anti-money laundering information and releasing risk warnings. In 2015, the Bank released 6 issues of *Global Anti-Money Laundering News*, 117 anti-money laundering analysis articles, and 121 risk warnings.

In 2015, the Bank carried out two anti-money laundering publicity activities, covering all the staff of the Bank; 608 outdoor publicity activities, 1,510 indoor publicity activities, 434 special topic lectures, and 1,041 internal trainings, and the participants reached 6.17 million person/times.

Building and cultivating anti-money laundering team. In 2015, a total of 1,005 employees obtained the anti-money laundering qualification certificate of Minsheng Bank, 2,025 employees obtained the anti-money laundering qualification certificate of the People's Bank of China, and more than 100 employees participated in trainings on anti-money laundering practices and skills.



Anti-money laundering training for backbone employees

Minsheng Bank reported **236,361,767** large-sum transactions

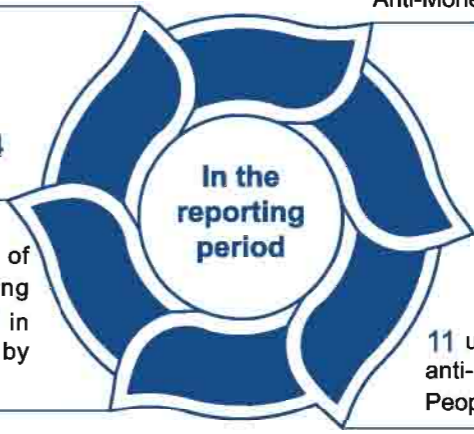
48,575 suspicious transactions to Chinese Anti-Money Laundering Monitoring

Analysis Center. There were **94** key suspicious transactions

among which **35** transactions were identified as important case clues by public security organs

People's Bank of China. A total of organizational units of Minsheng Bank were rated as "Level A" in terms of anti-money laundering by regulatory agencies

11 units were recognized for their efforts in anti-money laundering by local branches of People's Bank of China.



Complete Risk Management

Building complete risk management system

Adhering to the development vision of “building a leading bank of China banking industry in terms of risk management,” Minsheng Bank constructs complete risk management organizational structure and builds complete, sophisticated, and high efficient public platform for risk management in accordance with the requirements of development strategies and transformation and the principle of comprehensiveness, professionalism, verticality, centralization, and independence.

Promoting implementation of New Capital Accord

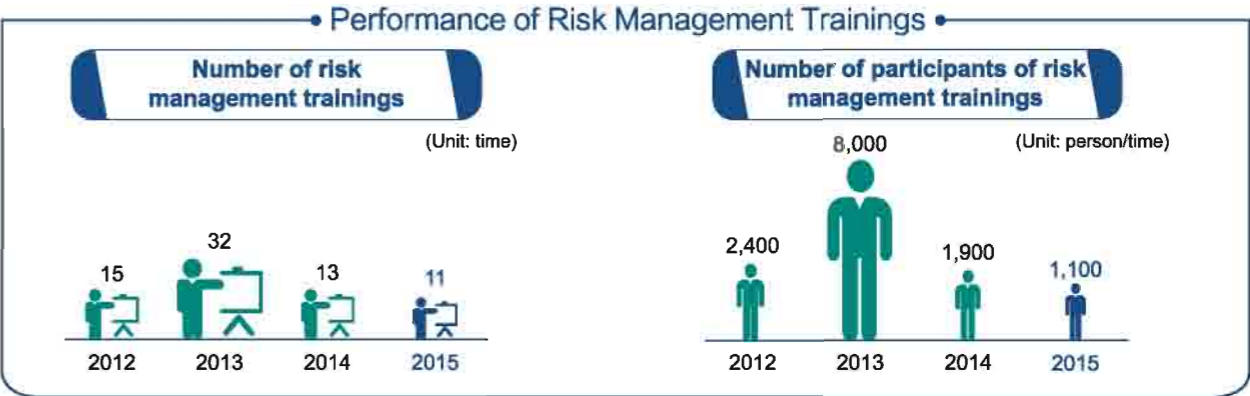
The year of 2015 was a breakthrough year for Minsheng Bank to preparedly conduct the implementation of the New Capital Accord. In accordance with the established goal and implementation roadmap, Minsheng Bank carried out credit risk data mart project and other related projects, completing the advanced approach system on capital management ahead of time, which enhanced the support of data base and system to advanced capital management approaches. Meanwhile, the Bank established compliance benchmarking work leading group and working group to carry out self-assessment, special auditing, and multi-layered and all-around trainings, and formally submitted assessment application on advanced capital measurement approaches to China Banking Regulatory Commission in the beginning of July, 2015.

Enhancing management in key risk areas

Since 2014, Minsheng Bank has carried out risk prevention and control in key areas, and paid close attention to the development trends of key sectors, handling the possible credit risks in a timely manner, releasing risk warnings and risk analysis reports, adjusting credit line appraisal guidelines, and enhancing risk predication and judgement. Meanwhile, the Bank conducted investigation and research tours and risk sorting out activities with relevant agencies to seek suggestions and resolutions on major industrial risks.

Management in Key Risk Areas

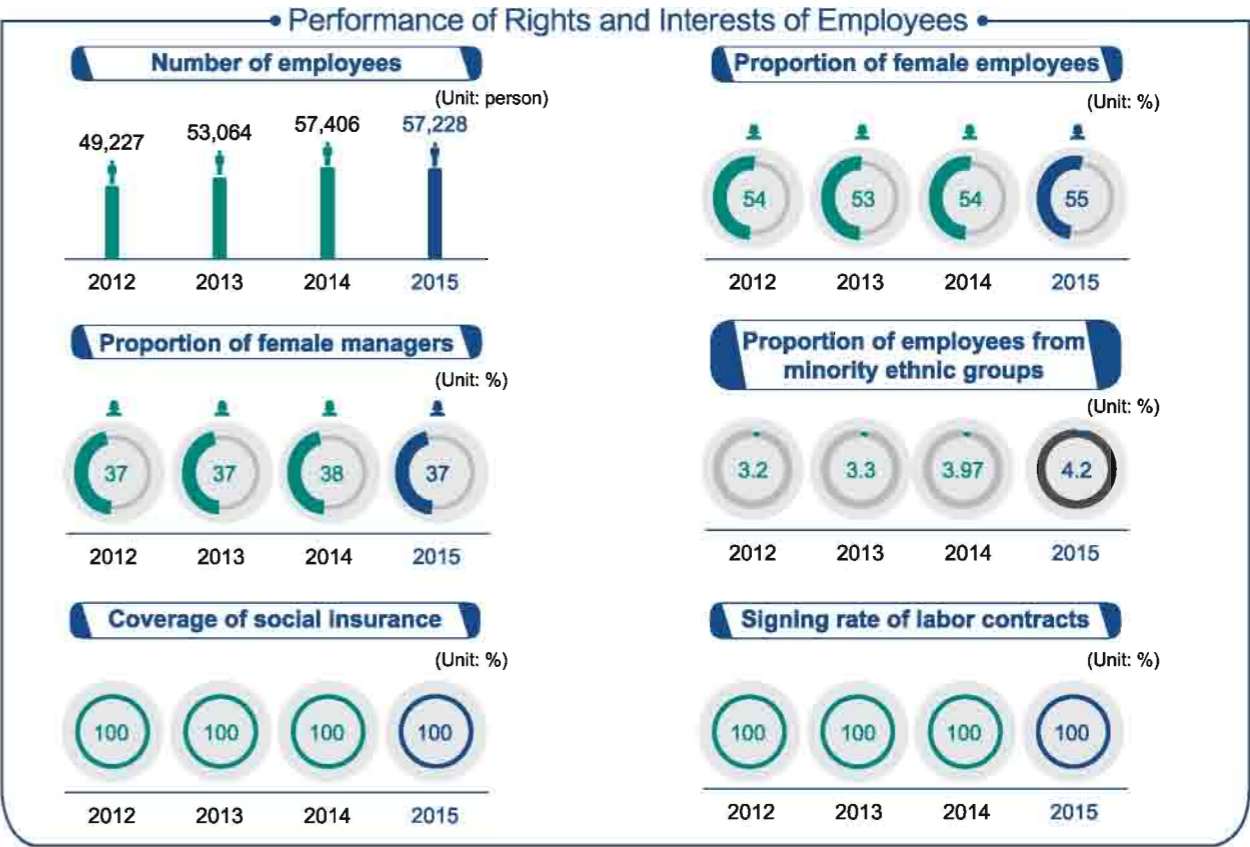
Credit risk	Actively promoted portfolio management, conducted rigid limits management and control in high-risk sectors, and carried out asset structure optimization; regularly conducted stress tests, enhanced asset quality management, guaranteed stable operation of asset quality, and ensured coordinated development of asset quality, benefits and scale
Market risk	Established a comparatively perfect self-discipline management system on market risks, including distinct market risk management structure, effective market risk limits monitoring system, specific product control process, and so on
Liquidity risk	Established top-down liquidity risk management organizational structure, and strictly implemented the established liquidity management strategies by building the whole bank-based liquidity risk management system, guaranteeing the business development to meet risk management requirements
Operation risk	Enhanced institutional building, guaranteeing effective implementation of business processes; enhanced process implementation, sorting out potential risks in a timely manner by conducting on-site investigation, off-site monitoring, research tours, and interviews; enhanced ratification and responsibility management, forming closed-loop of institution, implementation, assessment, and improvement
Business continuity risk	Comprehensively promoted the implementation of business continuity management system, conducted analysis and assessment on important business disruption risks, formulated emergency plans, and carried out emergency drills accordingly; formulated the whole bank-based recovery and resolution plan
Outsourcing risk	Revised outsourcing risk management system, regulated outsourcing risk management process, and strictly implemented risk examination and approval of outsourcing projects



Offering Excellent Services to Employees

1. Protecting Rights and Interests of Employees

Minsheng Bank has adopted various measures to protect the rights, interests and benefits of employees, established and improved employee relations management system, and regulated the management of recruitment and termination processes, labor contracts, and labor disputes. The Bank has constantly optimized compensation and incentive systems, strictly implemented social insurance and housing fund systems, and offered various assistance programs including enterprise annuity, supplementary medical insurance, and accident injury insurance, providing medium- to long-term security for employees and their families.



Proportion of local employees at
Hong Kong Branch
(Unit: %)



2. Boosting Democratic Management

Enhancing Workers' Congress Building

By using workers' congress as the most important grasp to promote democratic management, Minsheng Bank has enhanced the work in the aspects of improving workers' congress quality, strengthening institutional building, and realizing the values of workers' congress. The staff participation rate of trade union reached 100 percent.

Promoting Information Disclosure

Minsheng Bank has promoted information disclosure by mainly using OA internal network, and other supplementary platforms of internal reporting, internal journals, and publicity columns. The information disclosed mainly includes major meeting achievements, financial expenses, personnel employment, and so on.

Broadening Supervision Channels

By setting up supervision mailbox and opening supervision hotlines, Minsheng Bank provides democratic management channels for employees. For example, the Bank opened public notification supervision platform at the internal network, set up democratic management and supervision mailbox, opened supervision hotlines, and established direct channel for comprehensive collection of public opinions by using the WeChat platform, accepting supervision of employees.

3. Promoting Career Development of Employees

In 2015, Minsheng Bank developed the "1+3+4" training management system, establishing three learning maps and four guiding mechanisms to match the career development channels of employees, and linking up the trainings with evaluation, promotion, annual professional technical qualification inspection, and so on, so as to achieve the organic unification of organizational and personal development. In the reporting period, the Bank carried out 3,314 trainings, training 880 thousand persons/times, and the participants of examinations reached 57 thousand persons/times; the proportion of employees with qualification certificates of Minsheng Bank was 83 percent, and that with CFA, FRM, ACCA, and other international qualification certificates was 10.2 percent.

In 2015, Minsheng Bank continuously enhanced career development channel building, optimized professional and technical sequence system, and further promoted career development system, boosting the learning and



The first session of CMBC career lecture

development of employees. The Bank issued more than 16,000 questionnaires, finally forming a report of professional and technical sequence system optimization. Upon this report, it drafted and released the *Revision of Relevant Regulations on Professional and Technical Career Development*, revising implementation rules for grade evaluation of 5 sequences. Meanwhile, the Bank promoted qualification evaluation of managerial staff, conducting grade evaluation of 6,069 people. The evaluation committee of the head office organized 216 in-house experts to conduct evaluation of employees with senior professional titles or above, involving in 12,134 evaluation items accumulatively, which provided important basis for professional development and managerial position appointment of managerial staff.

4. Caring for Lives of Employees

Minsheng Bank has constantly strengthened employee relations management system building, and formulated guiding opinions on employee care. Adhering to the core concept of homeland culture of "people first," the Bank focused on employee satisfaction management, and carried out diversified employee care activities, which created harmonious atmosphere and enhanced humanistic care, fully improving the satisfaction and happiness of employees.



Creating good work environment for employees
Back office operation building of Credit Care Center (Chengdu)

Making Contributions to Society

1. Improving Responsibility Management



Social Responsibility Model of China Minsheng Bank

Responsibility Concept

Minsheng Bank has firmly established the responsibility awareness of “Minsheng Bank serves the public, practice attaches to people’s livelihood, and the public attaches to Minsheng Bank,” and has been bold in making innovations, achieving integration and coexistence of corporate development, social progress and ecological improvement.



Responsibility Governance

Minsheng Bank constantly improves responsibility governance mechanism, and promotes the building of responsibility organizational system and responsibility institutional system. In the reporting period, the Bank sorted out and updated corporate social responsibility management institutions, and revised management institutions relating to public welfare and donations.

- ▶ Setting up “Phase II Public Welfare Donation Fund” ◀

In the reporting period, the board of directors of Minsheng Bank deliberated and approved the resolution of setting up the “Phase II Public Welfare Donation Fund,” formulated the *Administrative Measures for Public Welfare Donation Fund of China Minsheng Banking Corp., Ltd.*, the *Implementation Rules for Public Welfare Donation Fund of China Minsheng Banking Corp., Ltd.*, the *Emergency Rescue Mechanism for Public Welfare Donation Fund of China Minsheng Banking Corp., Ltd.*, and other administrative regulations, laying a solid institutional foundation for future public welfare donation work of the Bank.
- ▶ Sorting out and improving management institutions ◀

Minsheng Bank organized competent departments to sort out administrative institutions for corporate social responsibility, art museums, and foundations, including rules of procedure of social responsibility, art museum management process, business and financial administrative measures, and other regulations and institutions.

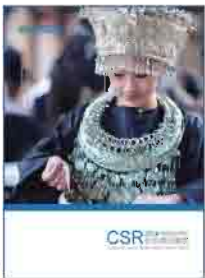
Responsibility Communications

Minsheng Bank constantly introduces new communication modes, expands communication channels, and deepens communication contents. It has established the three-in-one communication system consisting of “day-to-day, regular and annual communications,” deepening the communications with stakeholders.

▶ Using CSR report to conduct regular communications ◀

The 2014 Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. used brand-new frame structure and audience-oriented narrative mode to disclose responsibility fulfillment in the aspects of economy, society and environment of Minsheng Bank, being recognized as a unique case story-based report, which significantly improved the readability and influence of the report. The Chinese Expert Committee on CSR Report Rating rated the report a four-and-half stars. As a leading social responsibility report, it was included the *Blue Book of Corporate Social Responsibility (2015)* as one of the top 10 social responsibility reports.

“Social Responsibility Report of China Minsheng Banking Corp., Ltd., 2014”



▶ Jointly holding 1st Chinese Enterprises & Entrepreneurs Public Welfare Forum ◀

Minsheng Bank held the first Chinese Enterprises & Entrepreneurs Public Welfare Forum with the Research Center for Corporate Social Responsibility of Chinese Academy of Social Sciences. More than 200 people participated in the forum, including experts and scholars in public welfare fields, representatives from outstanding enterprises, Chinese and foreign reporters. Experts from Ministry of Civil Affairs, Communist Youth League Central Committee, Chinese Academy of Social Sciences, Tsinghua University, and so on also presented at the forum. As a representative of outstanding enterprises, Minsheng Bank shared its public welfare cases at the forum, winning highly recognition.

2. Participating Poverty Alleviation Activities

Minsheng Bank has constantly promoted the “information-based poverty alleviation mode.” In 2015, the Bank broadcasted agricultural products advertisements for free for 12 counties and cities in 8 provinces, helping sell more than 3.3 billion kg of slow-moving agricultural products. In 2006-2015, the Bank broadcasted advertisements for free for 422 counties and cities in 28 provinces (municipalities, autonomous regions), among which the agricultural product emergency sales advertisements helped sell more than 71.5 billion kg of slow-moving agricultural products.

Minsheng Bank has organized employees support targeted projects in Fengqiu and Huaxian counties in Henan province and Weiyuan and Lintao counties in Gansu province for 14 years in a row. In 2015, the money donated by employees reached RMB12.2363 million, supported 1,600 students with family difficulties, completed 14 new school building projects, and organized 68 outstanding rural Chinese teachers of the 4 counties to participate in trainings in Beijing.

Minsheng Bank has actively supported public welfare programs such as China Red Ribbon Foundation HIV/AIDS Prevention Program, “China Guangcai Program,” and “Beautiful Countryside—Protecting Ancient Villages,” ensuring the funds to being in place in a timely manner, thus guaranteed the effective implementation of the programs. In September, 2015, the “Minsheng Bank Red Ribbon School” in Meigu county of Sichuan province was completed, and more than 900 children there, as the first batch of students, attended the school.



Educational support activity in Xinjiang Uygur Autonomous Region

Case When they are changed, the world is changed

Gilvug is a fifth grade student in the Minsheng Bank Red Ribbon School. She likes smiling and whispering to her friend hand-in-hand. She grimaces a lot.

"She is an orphan, and her parents died of HIV/AIDS infection after selling out everything they could sell for buying drugs." Gilvug's teacher said. After her parents died, Gilvug and her two sisters became homeless and lived sometimes in the house of the village committee and sometimes with their aunt in the neighboring county.

When Gilvug and her sisters were living a difficult life, they were found by officers from Liangshan Yi Empowerment Center and enrolled in the Minsheng Bank Red Ribbon School. Now, they are all top students in the school.

After having breakfast in the dining room of the school, Gilvug and her classmates washed the dishes in turn. "We are like sisters." Gilvug said delightfully. Enjoying speaking Mandarin, she said: "As a student, we must speak Mandarin."



The happy kids

When Gilvug entered into her classroom, there were more than 30 students there. Some were doing their homework, some were reading books and some were playing Chinese chess. Gilvug walked to her seat at the first row beside the window on the right side. There was a "Book Corner" near the wall beside her tidy desk.

"I have read all the books there." Gilvug said proudly. She likes the Chinese class the most, and makes notes on her textbook so carefully and orderly that her Chinese textbook looked so new. When Gilvug turned her Chinese textbook to the article "Loving

Mother" she and her classmates were studying, we found she underlined and made notes to some phrases and expressions.

The class began at 8:40 am. Their Chinese teacher asked many questions in class, such as the definition of "kindness," and words being used to describe a mother. Every time the teacher asked, Gilvug responded actively.

The physical education class began at 11:40 am. After standard warm-ups, Gilvug followed the PE teacher to do standard exercises carefully. The only exercise which made her feel hard to do was to touch her toes with fingers while her legs were standing close to each other and to keep in this way for two minutes. It made her face turn bright red all over. Even so, she was one of the few students who persisted in to finish the moves finally.



Gilvug does exercise with a Japanese sword

After the physical education class, then came the lunch time. After the bell rang, most of the students rushed to their classroom to grasp their bowls, chopsticks and spoons and rushed back to the playground to wait for their meal. Gilvug, however, helped the physical education teacher to put the sports equipment they used to their original positions. When she saw the Japanese sword of the teacher, she picked it up and did exercises with it.

When it came to 15:30, Gilvug attended the training course organized by the "Azaleat Art Team" of the school, and followed the music teacher to practice the music composed by the students themselves. She sang with smiles on her face.

It is a day of Gilvug and an epitome of the school life of about 900 students in the school.

Gilvug said she wanted to be a journalist or a teacher when she grows up, and there was no specific reason for it as she just liked it. She showed no sign of sorrow. Maybe, her sorrow was buried deep in her heart, and she still remembered the hardships she had gone through. But she preferred to look at her present life and describe her dreams in fluent mandarin.

The Minsheng Bank Red Ribbon School, located in Meigu county of Sichuan province, is a beautiful home for local children with special difficulties.

The buildings of the school are a unique landscape in the region. The structures of the buildings are unique. As no foundation was excavated and only steel structure was used, the school buildings do not destroy the soil structure and the original landscape. The ventilation and air exchange of the buildings are realized through the skylights, and the materials used are green and environmentally friendly. The design is unique in every aspect of the school.

"As special steel structure was used, the teaching building, the student dormitory and other buildings in the school can survive an 8.0 magnitude earthquake, prevent the land from becoming harder and be moved in their entirety. If the school is moved to somewhere else, the land it covered can be restored to farmland. A relevant official of the school told that as the walls of the schools have five layers, with exterior layers using glass and wooden boards, they are breathable, warm-keeping and damp-proof.

"We have never seen any teaching building like this. It is like a villa." Villagers around the school spoke highly of the school. They thought it was a villa being built by some rich people, and when they realized that it was a

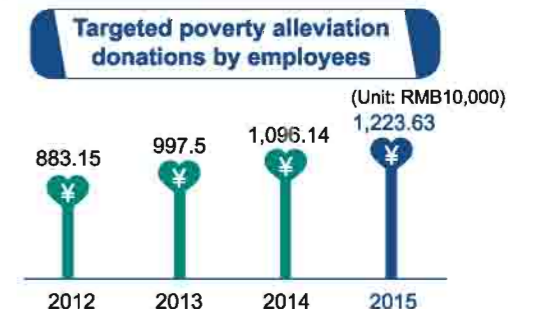
school for children, they were astonished and did not believe children would have classes there.

Why were such beautiful and unique buildings built in Meigu county?

It was a story which could be traced back to a promise made in the Spring of 2008. Minsheng Bank sponsored to establish the China Red Ribbon Foundation in 2005, and made an official promise to donate RMB30 million to the foundation in March, 2008. It donated RMB5 million to build the Minsheng Bank Red Ribbon School in Meigu county in 2012, and RMB20 million to establish the China Red Ribbon Public Welfare Foundation (in preparation) in 2013, to drive more non-governmental organizations to cooperate the government to improve HIV/AIDS prevention and control. With the donations, schools and hospitals have been built, and children and teenagers affected by HIV/AIDS in poor regions in Henan, Yunan, Sichuan, Xinjiang, Anhui, Shanxi and other provinces have been supported and taken care of. Minsheng Bank has supported thousands of children to go back to school for a better education, and encourages pregnant women in regions severely affected by HIV/AIDS to go to hospital for delivery. We have built village clinics and antiviral treatment centers, provided more than 500 thousand peasants with "red ribbon health kits", and conducted various kinds of influential publicity activities to spread knowledge concerning HIV/AIDS prevention and control to peasants.

Because of the achievements Minsheng Bank made in HIV/AIDS prevention and control as well as child helping, Mr. Michel Sidibé, Under-Secretary-General of the United Nations and Executive Director of UNAIDS, the Joint United Nations Programme on HIV/AIDS, came to China to award a certificate of honor to Minsheng Bank in August, 2013.

Performance of Social Public Welfare



3. Popularizing Volunteer Services

Minsheng Bank actively encourages employees to participate in volunteer service, giving back to society, and fully advocates responsibility culture. In the reporting period, the number of youth volunteers of the Bank reached 19,875 persons, who participated in 128 volunteer activities.



"CMBC Credit Card - Cuizhu Hope Primary School" sports meet



Education volunteers do aerobics with children

Case

Exchanging credits to make dreams come true

Innovatively promoting the mode of "exchanging credits for public welfare products," Minsheng Bank created the chain connecting financial consumers, banking institutions and the public welfare beneficiaries by means of letting financial consumers exchange their credits of their bank cards for public welfare products, launched public welfare products concerning "caring about children left behind" and "mass financing to help those in need," and became one of the first group of banks which launched the activity of "exchanging credits to make dreams come true" in China. The Central Finance Work Committee of Communist Youth League of China, All-China Financial Youth Federation, China Banking Association and China Youth Development Foundation jointly awarded Minsheng Bank the prize of the "Best Financial Institution in Social Responsibility."

Case

Hiking in the name of love

It is a marathon of love. As steps can be exchanged into credits and credits can be exchanged into public welfare products, the "Each Step of Love" program designed and launched innovatively by Dalian branch of Minsheng Bank has become its most influential activity which has attracted a lot of young participants. The program promotes public welfare and physical exercises at the same time, and conducts online and offline competitions and voting and promotion activities by using new media as the main carrier. Since its launch two years ago, the activity has gained popularity among young employees of Dalian branch. It won the First Prize for Excellent Youth Programs of the Youth Cup awarded by China Banking Regulatory Commission.



Dalian International Walking Festival

The team from Dalian branch for the 2nd "Each Step for Love" program in 2015 updated the activities to be conducted, and, imitating the ice bucket challenge, decided to use WeChat Friends' Circle to promote the program. Participants who got the highest votes made through WeChat were selected to participate in the 14th Dalian International Walking Festival. The participants walked accumulatively 34,712,692 steps (equivalent to more than 20,000 kilometers) in total.

4. Supporting Cultural Development

Adhering to the distinct public welfare path, Minsheng Bank has continuously carried out public welfare activities in cultural field. In 2015, the Bank promoted the building and operation of Minsheng art museums, sponsored the shooting of large scale documentary of "Masters of the Century," and supported Huaxia New Supply Economics Research Institute to conduct the research project of "China 2049 Strategy," making contributions to the building of a powerful country in culture.

Promoting building and operation of Minsheng art museums

Minsheng Bank has constantly improved cultural and public welfare carriers, building influential international platform for cultural exchanges.

- The three-year-long building project of Beijing Minsheng Art Museum was successfully completed. In June, 2015, the museum held the opening exhibition of "The Civil Power." It also held other five high-quality exhibitions including "The Eye and the Mind: New Interventions in Indian Art" jointly held with Indian National Gallery of Modern Art, the "Chinese Contemporary Yearbook Exhibition 2014," the Biography: Xia Xiaowan," winning highly recognition from the public.
- In 2015, Shanghai 21st Century Minsheng Art Museum held seven large scale exhibitions, organized more than 50 public education as well as culture and arts activities, and successfully launched the "International Awards for Art Criticism." A total of more than 150 thousand people visited the museum.
- In 2015, Shanghai Minsheng Art Museum held five academic exhibitions and more than 100 public education activities. Of that, it held 10 sets of "Poetry Comes to Museum," and the "Magic Cube of Poetry - 2015 Shanghai 1st Poetry Festival," being highly praised by the *People's Daily* and other media.
- In 2015, Hangzhou Minsheng Culture and Art Center held six public welfare activities, set up China's first exhibition hall for products for the disabled, and built diversified platform themed "coexistence, sharing, and integration" with professional organizations.
- In 2015, Beijing Minsheng Chinese Calligraphy Public Welfare Fund held the public welfare program of "Chinese Poetry Talents Series," inviting Chinese classical literature expert Ye Jiaying to give lectures on Chinese classical poetry, so as to carry forward traditional culture. The accumulated click rate of the serial documentary programs reached more than 660 thousand clicks, arousing strong repercussions.



"The Civil Power," an opening exhibition of Beijing Minsheng Art Museum

Scene of the "Lumière!" exhibition

Sponsoring shooting of "Masters of the Century"

Minsheng Bank donated RMB15 million to support the shooting of large scale documentary of "Masters of the Century," winning the second prize in the national special topic TV program and documentary selection and awarding activity of "Cultural China Series III - Chinese Inheritance." The part of the "Arts" of the project was recommended as the reading book for Party members and cadres by General Administration of Press and Publication.

Feature Story

ME Innovation Initiative: I Decide
Power of Love

“On the 20th anniversary of the establishment of Minsheng Bank, we launched the ME public welfare innovation initiative, which aims at promoting the healthy development of China’s public welfare causes, empowering the public welfare with innovation. As the launching organization, Minsheng Bank is committed to building the ‘Me Innovation Initiative’ as an important player and promotor in China’s public welfare innovation and social impact investment field by using its financial advantages and integrating into modern financial concepts.”

— Hong Qi, chairman of China Minsheng Bank

As the development of public welfare causes in China, NGOs have gradually become the most important force to change the society in the future. On the 20th anniversary of the establishment of Minsheng Bank, we launched the large scale public welfare activity of “I Decide Power of Love – Me Public Welfare Innovation Program,” offering RMB10 million fund to support 20 innovation and public welfare organizations and programs in five fields of community development, education, environmental protection, cultural protection, health care, so as to drive more organizations to understand and solve social problems.

Since its launching in September, 2015, the ME Innovation Initiative has carried out several activities including Tencent Happy Donation, Public Welfare H5 Design Contest, and Civil Referendum, inspiring the enthusiasm of participation of the public. Unlike the past public welfare innovation programs, ME Innovation Initiative introduced the concept of social impact assessment and support, not only offering financial support to participated organizations (RMB500 thousand for each organization), but also providing trainings on institutional capability building and social impact creation for them.

As of October 10, 2015, the project team has received 362 public welfare program applications, among which 147 in community development field, 110 in education field, 31 in health care field, 28 in cultural protection field, and 46 in environmental protection field. Upon two rounds of appraisal by experts and scholars in public welfare and social innovation fields, a total of 40 public welfare

programs were selected to enter into the question-and-answer session.

支持20个公益创新机构，
中国民生银行与民生共20年。

活动计划：
1. 易企秀H5设计大赛
2015.11.16-2015.12.6
扫描蓝色框中二维码，传播一个场景，
改变一个人，助公益组织创作H5场景。
2. 我决定民生爱的力量—全民投票
2015.12.16-2015.12.31
用您的一票与民生银行一起寻找
公益变革者，支持公益创新实践。

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中国民生银行



Funding ceremony for public welfare projects of ME Innovation Initiative

Introduction to ME Innovation Initiative 2015

Name	Duration	Contents	Achievements
"I Decide Power of Love" & Tencent Happy Donation	Oct. 9–Nov. 14, 2015	People can donate their steps through Tencent Happy Donation platform, and their steps can be exchanged into public welfare funds. Every 10,000 steps donated can be exchanged into RMB2, which is to be donated by Minsheng Bank to the ME Innovation Initiative	More than 18.5 million persons/times visited the page, and 4.08 million persons/times donated about 58.9 billion steps.
H5 Design Contest	Nov. 14–Nov. 30, 2015	To collect inspirations and designs from the public, particularly from excellent showers; and to help 40 excellent public welfare organizations to create H5 scenes.	A total of 221 H5 works for 40 public welfare programs were received from 215 designers.
Public Voting	Dec. 21–Dec. 31, 2015	To vote to support the public welfare organizations to conduct innovation practices	A total of 559,437 votes were made accumulatively, and more than 2.19 million persons/times visited the page on which the link of this activity was listed

Upon the project application, qualification examination, preliminary examination, reexamination, question-and-answer, on-site investigation, and public voting, the project finally selected 20 public welfare

programs in accordance with detailed appraisal rules, rating scores given by the experts, and public voting scores. Each of the programs was awarded RMB500 thousand.

20 awarded public welfare programs of ME Innovation Initiative 2015

Community Development

Name of Organization	Name of Program
Beijing Xicheng Renzhu Social Work Office	Educational Quality Improvement and Social Integration Project for Handicapped Children
Guangzhou Golden Ribbon Special Children's Parents Center	Health Care Along the Way
Inner Mongolia Bayannaoer City Wulateqianqi Boya Culture Association	Community Straw Man E-Workshop
Shanghai Yangjing Community Foundation	Teenager Community Learning Consolidation and Promotion (2016-2017)
World of Brut Art Culture	"Looking for China's Vincent van Gogh" -- Art Cure
Shijiazhuang Chang'an Great Love Sunshine Agency	Community Development Project for Loss-of-Single-Child Families
Zhuhai Center for Social Work Facilitators	"We're Parents Too" -- Community Support System Building Project for Worker Parents in Industrial Zones

Education Support

Name of Organization	Name of Program
Beijing Growinghome	"New One Thousand and One Nights" --Bedtime Stories for Rural Resident Student
China-Dolls Center for Rare Disorders	2016 I CAN Camp
Guangdong Dandangzhe Action Education Development Center	"Book Corner"—Rural Children's Reading Project in Tanchang, Gansu
Kashi Social Work Development and Service Center for the Disabled	Capability Improvement and Showing Service Project for the Disabled in Ethnic Minority Areas
Mianyang Fucheng Willoong Voluntary Service and Research Center	2016 Come On! Summer Camp in Countryside
Qinghai Gesanghua Education Aid Society	Gesanghua "Growth with Films"
New Citizen Program	Support Actions for Teachers at Schools for Children of Migrant Workers

Health Care

Name of Organization	Name of Program
Beijing Aili Myasthenia Gravis Care Center	Aili Rehabilitation Camp for People Suffering Myasthenia Gravis
Tai'an Mountain Tai Xioahe Public Welfare Causes Development Center	"Moon Homeland" Care Project for People Suffering Albinism

Cultural Protection

Name of Organization	Name of Program
Jiai Social Work Service Center in Jinan	"Conservation of Traditional Culture" in Lixia District, Jinan City
Shanghai Yiyou Youth Service Center	Culture and Education Project for Ethnic Minority Groups

Environmental Protection

Name of Organization	Name of Program
Lijiang Heath and Environment Research Center	Community Development and Ecological Protection in Three Parallel Rivers Region
Sichuan Himalayan Foundation	Seda Environmental Protection Station



Social impact exchange meeting was held at Beijing Minsheng Art Museum on December 2015

The ME Innovation Initiative has been highly commended by public welfare organizations, the public and the media.

"Minsheng Bank is using the most innovative and the most effective means to promote the development of public welfare causes in China."

--- Wang Zhenyao, president of China Philanthropy Research Institute

"The participation of the contest broadened our horizons, promoting us to understand the Internet (new media) broadcasting, which improved our project recognition in a short period of time. We, as a relatively small scale organization, have experienced the feel of developing stronger and growing better."

--- Yan Fusheng, president of an awarded Shijiazhuang-based organization named "Great Love Sunshine Agency"

Prospects of “13th Five-Year Plan” Period

The year of 2016 is the 20th anniversary of the establishment of Minsheng Bank, and also marks the beginning of the “13th Five-Year Plan”. Seeing into the future, we will pay more attention to the change of economic situations and business environment, and explore sustainable development path, striving to build the Minsheng Bank towards a leading comprehensive bank characterized by internationalization, professionalism and digitalization.

We will continue to take reform and innovation as driving forces of development, spare no efforts to promote the “Phoenix Project,” conduct in-depth reforms on systems and mechanisms, and inspire vitality of creating values and improving efficiency. By implementing the strategy of innovation-driven development, we will constantly bring forth new products and services, cultivate new market, and inspire new vitality.

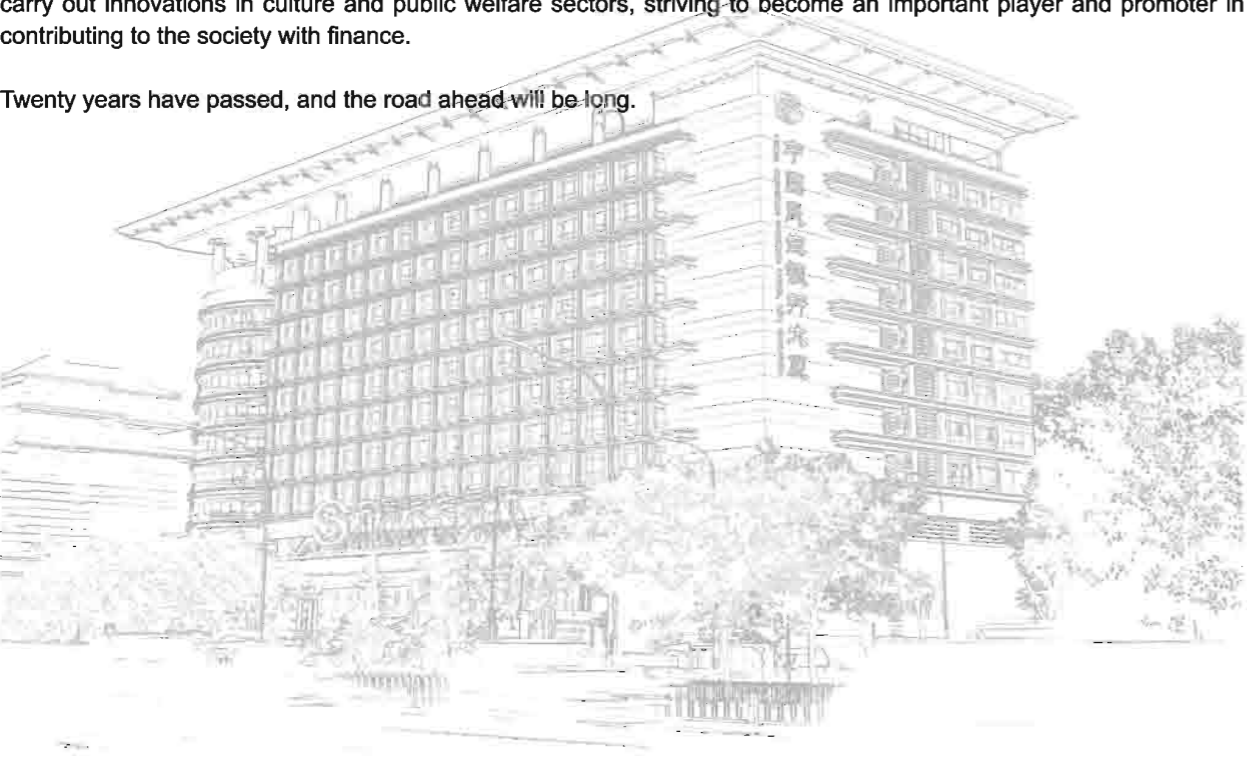
We will insist on the distinct characteristics of financial services, actively supporting the development of inclusive finance. We will identify the rational credit directions, take initiative to implement national strategies, and enhance the planning and promotion of major infrastructure projects in key areas and strategic fields.

We will guide and encourage more social funds to investment in green sectors of environmental protection, energy-saving, clean energy, clean transport, and so on by conducting innovative financial institutional arrangement, and develop green finance in combining with main business advantages, achieving green development.

We will conduct comprehensive, international, and networking operating modes, and promote the orderly movement of domestic and international elements, the high efficient allocation of financial resources, and the in-depth integration of financial market. We will speed up the branch layout in international market, improving the strategic platform for international development.

We will use excellent corporate culture to gather strength, and promote career development of employees. We will give back to the society, enhance the support to targeted poverty alleviation, medical care, and education, and carry out innovations in culture and public welfare sectors, striving to become an important player and promoter in contributing to the society with finance.

Twenty years have passed, and the road ahead will be long.



Appendix

Appendix I: Key Performance Indicators

Notes: Financial data were from head office of China Minsheng Bank. Should there be any inconsistency, the annual report shall prevail.

Responsibility management performance	2015	2014	2013
Number of legal and compliance trainings (time)	522	1,633	612
Number of participants of legal and compliance trainings (person/time)	51,584	44,541	36,850
Number of risk management trainings (time)	11	13	32
Number of participants of risk management trainings (person/time)	1,100	1,900	8,000
Economic performance indicators	2015	2014	2013
Total assets (RMB100m)	45,206.88	40,151.36	32,262.10
Operating revenue (RMB100m)	1,544.25	1,354.69	1,158.86
Net profit attributable to parent company (RMB yuan)	461.11	445.46	422.78
Basic earnings per share (RMB yuan)	1.30	1.31	1.24
Total tax payment (RMB billion)	239.34	234.33	220.42
SCVPS (RMB yuan/share)	5.61	5.80	5.37
Society performance indicators	2015	2014	2013
Number of employees (person)	57,228	57,406	53,064
Coverage of social insurance (%)	100	100	100
Proportion of employees from minority ethnic groups (%)	4.2	3.97	3.3
Slow-moving agricultural products sold by information-based poverty alleviation initiative (100m kg)	33	19	27
Fixed-point poverty alleviation donations by employees (RMB10,000)	1,223.63	1,096.14	997.5
Public welfare donations (RMB100m)	0.65	4.69	3.23
Environmental performance indicators	2015	2014	2013
Amount of green procurement (RMB10,000)	96,380	84,678	84,451
Ratio of loans to industries with overcapacity (%)	3.08	3.46	5.94
Number of video conferences (time)	184	211	274

Appendix II: Responsibility Awards & Honors

Awards & honors	Awarding activities and organizers
Chairman Hong Qi was awarded the “Red Ribbon Contribution Prize” and “Ten-Year Merits”	China Red Ribbon Foundation
Best Practice of Social Responsibility Award	China Banking Association
Ranked first in the Social Responsibility Index of China’s Banking Industry	Blue Book of Corporate Social Responsibility (2015)
2015 China Poverty Alleviation Public Welfare Cause Medal Award	China Corporate Commonwealth Committee
Best Corporate Social Responsibility Award	Southern Weekly
Most Respected Listed Company in China	China Association for Public Companies
Listed Company with Highest Investment Value Award	Ta Kung Pao
Best Deal Award of the Year	Marine Money
2014 Banking Science and Technology Development Award	People’s Bank of China
2014 Golden Bull Evergreen Company Award; 2014 Golden Bull Awards for Top 100 Listed Companies; 2014 Golden Bull Company with Strongest Profitability	China Securities Journal
Excellent Corporate Governance Enterprise	Yazhou Zhoukan (Asia Weekly)
China Top Seller of Gold	Euromoney
Team Award of the 2 nd “Customer Service Good Voice” Initiative	China Banking Association
Outstanding Contribution Award in Management Accounting	Institute of Management Accountants (IMA)
2015 China’s Top 10 HR Management Practice Award	School of Business of Renmin University of China
Talent Scout Award of the 1 st “New Third Board” Summit	The Economic Observer
“Contents & Wording” Gold Prize	ARC International Annual Report
First Prize of 2015 Youth Cup Campaign	China Banking Regulatory Commission
2015 China Best Mobile Banking Award; 2015 China Best Direct Banking Award	China Financial Certification Authority (CFCA)
2014-2015 China Outstanding Finance Award	The Economic Observer
Second Category Achievement Prize for 2015 IT Risk Management Research Project of China Banking Industry	China Banking Regulatory Commission
2015 Small Business Finance Bank with Outstanding Competitiveness Award	China Business Journal, China Business Journal Research (CBJR)

Appendix III: Reporting Specifications

Reporting Period:

This report covers the period from January 1, 2015 to December 31, 2015. Some contents may surpass the above scope.

Release Cycle:

The Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. is an annual report.

Organizational Scope:

This report covers the head office and all subsidiaries of China Minsheng Banking Corp., Ltd. For the purpose of convenience of indication and reading, China Minsheng Banking Corp., Ltd. is also referred to as “China Minsheng Bank,” “Minsheng Bank,” “the Bank” or “the Company.”

Reference Standards:

Opinions on Strengthening Social Responsibility of Banking Financial Institutions issued by China Banking Regulatory Commission;
Guidelines on Corporate Social Responsibility for China’s Banking Financial Institutions issued by China Banking Association;
Guidelines on Preparation of Corporate Social Responsibility Reports issued by Shanghai Stock Exchange;
Guidance on Social Responsibility Reporting, (GB/T 36001-2015) the national standards of social responsibility;
Chinese CSR Preparation Guide (CASS-CSR 3.0) issued by Chinese Academy of Social Sciences;
Guide on Sustainability Reporting (G4) issued by Global Reporting Initiative;
Ten Principles of the United Nations Global Compact (UNGC) issued by United Nations;
Environmental, Social and Governance Reporting Guide issued by Hong Kong Exchanges and Clearing Limited

Data Description:

The data of 2015 in this report comes from the final statistical data. Should there be any inconsistency between the financial data in this report and in the annual report of the Company, the annual report shall prevail.

Assurance:

To ensure the authenticity and reliability of this report, PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) has been engaged to conduct a limited assurance on the selected key data disclosed in this report in accordance with the *International Standards on Assurance Engagements 3000: Assurance Engagement Other Than Audits or Review of Historical Financial Information*, and has issued an independent assurance report.

Languages and Availability of Report:

This corporate social responsibility report is published in both Chinese and English, and is released both in hard copies and online version. For hard copies of this report, please send email to csr@cmbc.com.cn or call 010-57092056. For online version, please visit the website of the Company at www.cmbc.com.cn.

Contact:

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General Office, China Minsheng Banking Corp., Ltd.
E-mail: caoxuesen@cmbc.com.cn; shiyang8@cmbc.com.cn

Appendix IV: Rating Report



Rating report on 2015 Corporate Social Responsibility Report Of China Minsheng Banking Corp., Ltd.

Upon the request of China Minsheng Banking Corp., Ltd., Chinese Expert Committee on CSR Report Rating invited experts to form a Rating Team. The rating team rated 2015 Corporate Social Responsibility Report Of China Minsheng Banking Corp., Ltd. (hereinafter "report") as follows:

1. Rating Criteria

Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 3.0) and Rating Standard on Corporate Social Responsibility Reporting for Chinese Enterprises (2014).

2. Rating process

- (1) The process assessment team interviewed members from the social responsibility department and viewed the relevant materials involving the preparation of the report on site.
- (2) The rating team evaluates the management process and the information disclosed in the report and draws up the rating report.
- (3) The Vice chairman of the Chinese Expert Committee on CSR Report Rating and the leader of the expert rating team sign the rating report together.

3. Rating results

Process Management (★★★★☆)

The Corporate Social Responsibility Management Office takes a leading role in setting up a preparation team, the chairman is responsible for the key parts of the report and the Board of directors final review of the report. The preparation team identifies stakeholders, and consults their advices by opinion meeting and interviews. Substantial issues are defined and selected according to material issues of the corporation, relevant state policies. It is planned to release the report on the reporting conference organized by China Banking Association and presented in paper and electronic version. Thus, the report process management is leading excellent.

Materiality (★★★★☆)

The report systematically discloses key performance issues on Banking, such as "Implement macro policy", "Product improvement and Service innovation", "Ensure consumer information safety", "Ensure the transparency of the tariff", "Micro credit", "Anti-money laundering", "Implementation of the New Capital Accord", "IT disaster recovery", "Green credit" etc. with detailed description. The report has super excellent materiality.

Completeness (★★★★☆)

The report systematically discloses key information on "Insisting on Customer First", "Optimizing Credit Layout", "Helping Build Ecological Civilization", "Exploring International Operation", "Giving Back to Society" etc. With 83.0% of core indicators disclosed on Banking, the report has leading completeness.

Balance (★★★★☆)

This report discloses negative information on "Internal control defects or problems", "persons/times of violation point counting", "times of suspicious transactions" etc. The report has excellent balance.

Comparability (★★★★☆)

This report discloses 40 key performance indicators of at least three consecutive years, including "Revenue", "Tax

amount", "Number of employees", "Public welfare donations", "Amount of green procurement", "Ratio of loans to industries with overcapacity", and compared "The rank of mobile banking comprehensive rating", "The rank of world's top 1000 banks" to industries data. The report has super excellent comparability.

Readability (★★★★☆)

This report takes "20 years of Minsheng Banking, 20 years of public welfare deeds" as the theme and around the five aspects of "Innovation, Coordination, Green, Opening Up, Sharing". The report has a clearly framework, suitable length, and simple and fresh design style. It adopts the designing of using the blue and green color of enterprise LOGO to improve the identification of the report. The report also has abundant cases, "further reading" column and interprets special terms, all of above make this report leading readable.

Innovativeness (★★★★☆)

This report begins with "20 Years Development of Minsheng Bank", review the highlights of the company over these years to help stakeholders know the enterprise more deeply. Each chapter starts with the Five development ideas in The national "13th Five-Year" plan to respond the contemporary responsibility. Each chapter in the form of "Feature Story" to describe the stories between stakeholders and Minsheng Banking in detail, fully improve the reliability of the report. All of above make this report super excellent innovativeness.

Overall Rating (★★★★☆)

Through evaluation and deliberations, the rating team agreed to rate 2015 Corporate Social Responsibility Report Of China Minsheng Banking Corp., Ltd. as leading by giving four and a half -star rating to it.

4. Suggested improvements

Give more information on the negative data and analysis of the negative incidents of the report.

Rating team

Team leader: Deng Guosheng, Professor and doctoral tuto, School of public administration, Tsinghua University
Team member: Wei Xiuli, Associate Professor, School of economics and management, North China University of Technology
Fang Xiaojing and Wang Zhimin, Process Evaluators

魏紫川

Wei Zichuan
Vice Chairman of the Chinese Expert Committee on
CSR Report Rating

邓国胜

Deng Guosheng
Team leader of the expert rating team

Date of Issuing: July 4, 2016



中国企业社会责任报告
评级专家委员会
Chinese Expert Committee on CSR Report Rating

Appendix V: Assurance Report

2016/SH-091
(Page1/3)

English Translation for Reference Only

Independent practitioner's assurance report

To the Board of Directors of China Minsheng Banking Corp., Ltd.

We have been engaged to perform a limited assurance engagement on the selected 2015 key data (the "key data") in the 2015 Social Responsibility Report of China Minsheng Banking Corp., Ltd. ("the Bank").

Key data

We carried out limited assurance procedures on the following key data of the Bank's 2015 Social Responsibility Report:

- Number of direct banking customers
- Mobile banking transaction volume
- Number of mobile banking customers
- Amount involved in rejected "two-high-and-one-over" projects
- Number of employees
- Coverage rate of social insurance
- Proportion of female managers
- Amount of donation by employees for fixed-point poverty alleviation
- Number of video conferences
- Loan balance of green credit
- Number of participants of legal compliance training

Our assurance was with respect to the year ended 31 December 2015 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2015 Social Responsibility Report.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2015 Social Responsibility Report is set out in the definitions of the key data (the "basis of reporting") after this assurance report.

The Board of Directors' Responsibilities

The Board of Directors of the Bank is responsible for the preparation of the key data in the 2015 Social Responsibility Report. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the key data of the Social Responsibility Report that is free from material misstatement, whether due to fraud or error.

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Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the key data in the 2015 Social Responsibility Report based on limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on any matter that would materially affect the key data in the 2015 Social Responsibility Report. Our work involves assessing the risks of material misstatement in key data in the 2015 Social Responsibility Report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk. Within the scope of our work, we have only performed the following procedures in the Head Office of the Bank. We did not perform assurance work in other branches. The procedures we performed comprised:

- 1) Interviews with management and personnel in the departments involved in providing information for the selected key data within the Social Responsibility Report;
- 2) Analytical procedure;
- 3) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 4) Recalculation;
- 5) Other procedures deemed necessary.

Appendix VI: Key Data Compilation & Reporting Basis

Number of direct banking customers (10,000 accounts)

The number of approved electronic account of investors initiatively opened by customers, with real-name authentication, through special direct banking channels of Minsheng Bank (websites, mobile apps, WeChat banking) , mobile banking of Minsheng Bank, mobile client of credit card of Minsheng Bank, and application to the co-operating third party companies.

Mobile banking transaction volume (RMB trillion)

The volume of unilateral transaction initiated through the mobile banking client of Minsheng Bank

Number of mobile banking customers (10,000 customers)

The number of customers using mobile banking services of Minsheng Bank

Amount involved in rejected “two-high-and-one-over” (industries with high energy consumption, high pollution or overcapacity) projects

The amount of loans involved in industries with high energy consumption, high pollution or overcapacity rejected by Minsheng Bank in accordance with the *Regulations on Green Credit of China Minsheng Banking Corp., Ltd. (Trial)* (CMBC [2015] No. 131)

Number of employees (person)

The total number of staff of Minsheng Bank

Coverage rate of social insurance (%)

The proportion of employees with social insurance of Minsheng Bank

Proportion of female managers (%)

The proportion of female managers in the management team of Minsheng Bank

Amount of donation by employees for fixed-point poverty alleviation (RMB 10,000)

The amount of employees’ personal donation to the fixed-point poverty alleviation projects in Huaxia and Fengqiu counties of Henan Province and Lintao and Weiyuan counties of Gansu Province

Number of video conferences (time)

The number of video conferences held between the head office and the branches of Minsheng Bank

Loan balances of green credit (RMB100m)

Loan balances of 12 categories of energy-saving and environmental protection projects and services in accordance with the *Notice on Reporting Green Credit Statistical Form of General Office of China Banking Regulatory Commission* (CBRC [2013] No. 185).

Number of participants of legal and compliance training (person/time)

Total number of legal and compliance trainings organized by the legal and compliance departments of head office and branches of Minsheng Bank.

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Inherent Limitation

We remind the users to note that, the absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected key data in the 2015 Social Responsibility Report is not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China

March 30th, 2016

Appendix VII: Suggestions & Feedbacks

Respected readers,

This report is the ninth corporate social responsibility report released to the public by China Minsheng Banking Corp., Ltd. For the purpose of continuous improvement of the report preparation, we hope to listen to your opinions and suggestions. Please assist us to complete the relevant questions in the feedback form. You may choose the following options to contact us.

Mailing address: General Office, China Minsheng Banking Corp., Ltd., No. 28, Jianguomennei Street, Dongcheng District, Beijing
Postal Code: 100005

Your Information

Name: _____

Company/Organization: _____

Title: _____

Tel.: _____

Fax: _____

E-mail: _____

Multiple choice questions (Please mark “√” in the appropriate position)

Options	Very Good	Good	Fair	Poor	Very Poor
1. Does this report fully and accurately reflect the major impacts of Minsheng Bank on economy, society and environment?					
2. Does this report respond to the issues and disclose the information concerned by stakeholders?					
3. Does this report disclose clarified, accurate and complete information, indicators, and data?					
4. What is your opinion on the readability of this report, i.e., the logics, content design, wording, and layout?					

Open questions:

1. Which do you think is the most satisfying part in this report?
2. What kinds of information do you think is not disclosed in this report?
3. What are your suggestions for our future social responsibility reports?

Appendix VIII: Notes on Terms

1. According to the *Notice on Strengthening Listed Companies' Assumption of Social Responsibility & Guidelines on Listed Companies' Environmental Information Disclosure*¹ issued by Shanghai Stock Exchange, and in combining with the characteristics of banking industry, the social contribution value per share (SCVPS) of China Minsheng Bank was RMB5.61 in 2015. The calculation method is as follows:

$$\text{SCVPS [RMB5.61]} = \text{basic earnings per share [RMB1.30]} + \text{added value per share [RMB4.31]}$$
$$\text{Added value per share} = (\text{tax payment} + \text{compensations} + \text{interest expense} + \text{public welfare donations}) / \text{total equity as of the end of the period}$$

Item	Unit	2015	2014	2013
I: Plus items²				
1) Tax payment (tax revenue paid to the State, including enterprise income tax, business taxes and surcharges, excluding the deduction and payment of individual income tax)	RMB100m	239.34	234.33	220.42
2) Compensations (salaries paid to employees)	RMB100m	240.74	224.27	191.45
3) Interest expense (loan interest paid to creditors)	RMB100m	1,091.14	1,069.16	991.21
4) Public welfare donations (external donation amount)	RMB100m	0.65	4.69	3.23
II: Minus items				
Other social costs resulted from environmental pollution and other negative factors ³	RMB100m	0	0	0
III: Total equity	100m shares	364.85	341.53	283.66
IV: Added value per share	RMB yuan	4.31	4.49	4.13
V: Basic earnings per share	RMB yuan	1.30	1.31	1.24
VI: SCVPS	RMB yuan/share	5.61	5.80	5.37

Notes: Data were from head office of China Minsheng Bank.
Notes: The added value per share and the basic earnings per share in 2013 have been adjusted in accordance with the number of shares after the profit distribution for the second half of 2013, and the relevant social contribution value per share in this period has been adjusted accordingly.

2. Shang Dai Tong: Shang Dai Tong is an all-inclusive financial service product that China Minsheng Bank offers to the small- and medium-sized enterprises and individual business owners for faster fund raising, safer capital management and higher capital efficiency.

1 According to statements of Shanghai Stock Exchange, the social contribution value per share (SCVPS) disclosed in the annual corporate social responsibility report is calculated on the basis of the basic earnings per share, by adding the tax revenues paid to the State, salaries paid to employees, loan interest paid to creditors (including banks), and other values created for stakeholders by conducting external donations and other activities, minus any social costs that arise from environmental pollution and other negative factors.

2 Excluding rental and other operating expenses

3 Under current conditions, there is no accurate method to convert environmental emission data with different measures into environmental cost data with unified measure. As for the “social costs resulted from environmental pollution and other negative factors,” the listed banks releasing SCVPS in past years was actually counted the item as “zero.” Therefore, the item disclosed by Minsheng Bank was also counted as “zero.”

CSR

Corporate Social Responsibility
Report 2015



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