



2025 Semi-annual Sustainable Finance Report

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DECLARATION



Reporting Compilation Background

This report aims to present the progress of the Bank's sustainable finance work in the first half of 2025, demonstrate the Bank's exploration and practice of integrating ESG concepts into practical operations and business activities and promoting high-quality and sustainable development, enhance communication with a wide range of stakeholders, and actively respond to the concerns of all stakeholders on important tasks and work progress in the sustainable finance field of the Bank.



Reporting Scope

The scope of this report covers China Construction Bank Corporation and its subsidiaries.



Reporting Period

This report covers the period from 1 January 2025 to 30 June 2025. To ensure consistency in reporting, part of the content may contain information that is beyond the above-mentioned period.



Reporting Data

The data of this report mainly comes from the internal document and relevant statistics of the Bank.



Forms of Release

This report is published in the electronic format and can be viewed and downloaded on the Bank's official website. This report is written in Chinese and is also available in English version. Should there be any discrepancy among the two versions, the Chinese version shall prevail.

URL: <https://www.ccb.com/eng/home/index.shtml>



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Definition Explanation

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

CCB Property & Casualty	CCB Property & Casualty Insurance Co., Ltd.
CCB Private Equity	CCB Private Equity Investment Management Co., Ltd.
CCB Principal Asset Management	CCB Principal Asset Management Co., Ltd.
CCB FinTech	CCB FinTech Co., Ltd.
CCB Consumer Finance	CCB Consumer Finance Co., Ltd.
CCB Financial Leasing	CCB Financial Leasing Co., Ltd.
CCB Wealth Management	CCB Wealth Management Co., Ltd.
CCB Futures	CCB Futures Co., Ltd.
CCB Life	CCB Life Insurance Co., Ltd.
CCB Investment	CCB Financial Asset Investment Co., Ltd.
CCB Trust	CCB Trust Co., Ltd.
CCB Pension	CCB Pension Management Co., Ltd.
CCB Housing	CCB Housing Services Co., Ltd
CCB Housing Rental	CCB Housing Rental Private Fund Management Co., Ltd.
CCB International	CCB International (Holdings) Limited
CCB Consulting	CCB Engineering Consulting Co., Ltd.
ESG	Environmental, Social and Governance

01

GOVERNANCE

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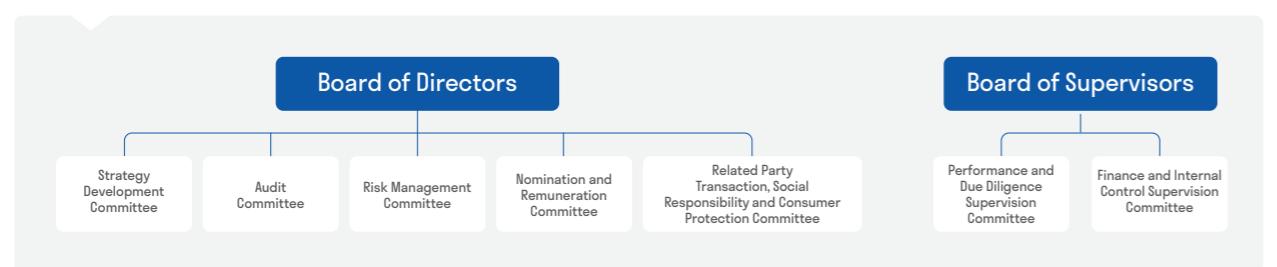
Corporate Governance

The Bank deeply explores the long-term mechanism for ESG governance. Based on the operation management model and business development strategies, the Bank widely communicates, shares and incorporates advanced practices in the ESG field to build a top-down, detailed, well-structured system for ESG governance that comprehensively covers the Board of Directors, the Board of Supervisors, and the Management. All levels coordinate, closely collaborate, efficiently synergise and fully participate to continuously consolidate the sustainability work system and orderly promote the implementation of ESG governance, laying a solid foundation for achieving the vision of “becoming a world-leading sustainable development bank” and promoting high-quality sustainable development across the Bank.

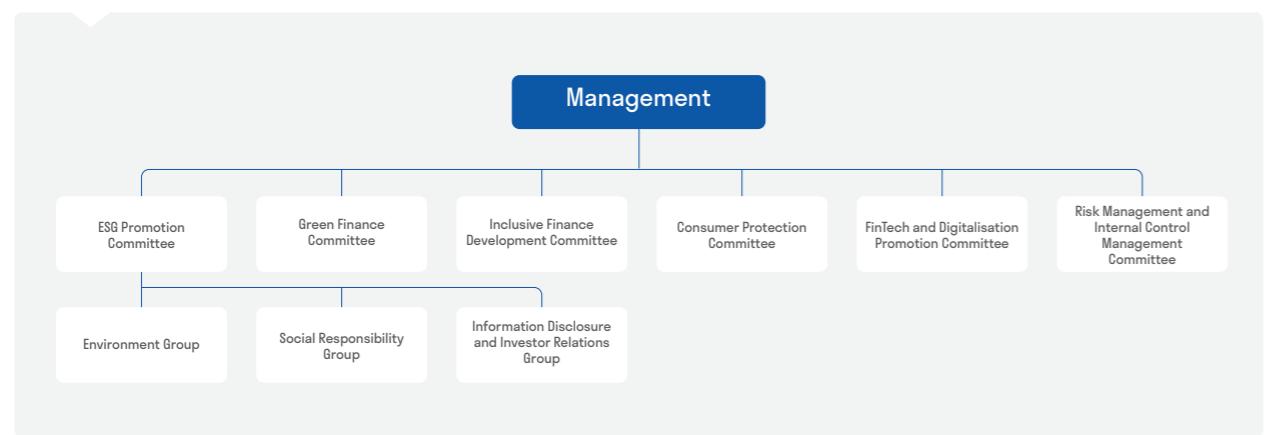
ESG Governance Structure

The Bank's ESG governance structure is as follows:

Governance



Management



Board of Directors

Responsibilities

The Board of Directors of the Bank assumes ultimate responsibility for the formulation and implementation of the Group's ESG strategy. The Board specifies strategic objectives, key tasks, and management priorities, oversees and evaluates the implementation of ESG strategy, and organises comprehensive evaluation of the effectiveness of related work. The Board guides ESG risk identification and assessment, reviews relevant objectives and progress regularly, and provides guidance on improving paths to achieving the objectives. The Board also listens to reports from special committees and the Management on the progress of ESG-related matters and provides guidance on the disclosure of ESG-related information, ensuring that the disclosed information is accurate, complete, and transparent.

The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors is responsible for coordinating and guiding the orderly advancement of ESG management, formulating ESG management policies and strategies, regularly tracking and evaluating the progress, guiding and supervising the corresponding information disclosure. The committee supervises and guides the fulfilment of social responsibility, green finance, inclusive finance, rural revitalisation finance, and related party transactions, and regularly listens to reports on the progress of related work. The committee also guides and urges the establishment and improvement of the consumer protection management system by urging the implementation of related work such as product and service review, complaint management, debt collection management, and fair marketing to guide the strengthening of privacy and data security of personal clients, improving the quality and effectiveness of consumer rights protection.

The Risk Management Committee of the Board of Directors is responsible for overseeing and guiding ESG-related risk management, including climate risk and opportunities. The committee listens to periodic reports on topics such as analysis of environmental and climate-related risk and opportunities and quantification of ESG-related risk factors to study countermeasures for climate change, advance the in-depth integration of ESG elements into the comprehensive risk management system, and facilitate organic integration of ESG elements into the client credit rating system. The committee continuously refines climate-related risk stress testing, and guides the improvement of industry credit policies. The committee also regularly listens to reports on IT risk and cybersecurity risk management to oversee and guide the management of IT and cybersecurity risk control, and reports on product innovation management to oversee and guide the review and risk control of product and service innovation.

According to their respective roles, the Strategy Development Committee, the Audit Committee, and the Nomination and Remuneration Committee of the Board of Directors work together to effectively supervise and guide the Bank's ESG practice. Specifically, the Strategy Development Committee assists the Board in formulating ESG-related strategic objectives and deeply incorporates ESG considerations into all planning and implementations. The Audit Committee regularly listens to reports on internal and external audits, supervises and assesses internal controls, promotes the rectification of ESG-related problems identified in internal and external audits, and continuously improves the soundness and effectiveness of the internal control system. The Nomination and Remuneration Committee attaches great importance to the growth and development of employees, focusing on training and career development of the Bank's employees.

Diversity of Board members

The Bank places great importance on the diversity of the Board of Directors, continuously improving the Board's professional competence and structure to form a Board that is highly aligned with the Bank's development, consolidate the foundation for long-term and stable development, and ensure strong support for efficient operation and scientific decision-making of the Board.

In August 2013, the Board of Directors of the Bank ratified and disclosed a proposal regarding the diversity policy of board members. In accordance with this policy, when selecting candidates for directors, the Board shall place emphasis on the diversity of candidates' backgrounds to ensure their qualities complement each other in terms of gender, age, cultural and educational backgrounds, ethnicity, professional experience, skills, knowledge, and tenure of service. The final selection of candidates should be based on their comprehensive abilities and potential contributions to the Board. The Nomination and Remuneration Committee of the Board is responsible for overseeing the implementation of the diversity policy of board members, periodically reviewing the composition and structure of the Board, and disclosing the composition of the Board in the Bank's annual reports (including all directors' gender, age, tenure, etc.).

As of 30 June 2025, the Board of Directors consisted of 10 members, including three executive directors, two non-executive directors, and five independent non-executive directors. Among them, there were two female directors, accounting for 20% of the Board. The independent non-executive directors are from various regions, including Chinese Mainland, the Hong Kong SAR of China, the Macau SAR of China, North America and Europe, and are well-versed in international and China's accounting standards, capital supervision, securities supervision, and financial market operations. The Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board are all chaired by independent non-executive directors. The composition of the Board complies with the gender diversity requirements for board members set out by the Listing Rules of Hong Kong Stock Exchange and aligns with the diversity policy of board members.

ESG-related expertise of Board members

The board members of the Bank possess extensive experience and a high degree of professionalism in banking-related fields. They have accumulated rich professional knowledge and practical experience in strategic planning, economic research, state-owned capital management, risk prevention and control, and financial accounting management, which provides strategic guidance for the Bank's sustainable development.

Among the non-executive directors and independent non-executive directors of the Bank, four members have worked for financial supervisory government departments and international organisations related to risk management, such as the Ministry of Finance of the People's Republic of China, the State Administration of Foreign Exchange of the People's Republic of China, the China Securities Regulatory Commission, the HM Treasury, the International Organization of Securities Commissions, the Basel Committee on Banking Supervision, and the International Monetary Fund. Four members formerly held positions in financial accounting-related institutions, such as the IFRS Advisory Council, the International Accounting Standards Board, KPMG, and Deloitte. Three members had industry experience in domestic and international financial institutions, including Industrial and Commercial Bank of China, Bank of China, China Merchants Bank, JPMorgan Chase, and Citibank.

The board members of the Bank have extensive experience in risk management and climate-related risk management.

Mr. Antony Kam Chung Leung has many years of experience in government and financial institutions. He served as Financial Secretary of the Hong Kong SAR, chairman of the risk management committee of the Board of ICBC, an independent non-executive director of China Merchants Bank and AIA (Hong Kong), chairman of Greater China of Blackstone and a member of the investment decision committee, chairman of Asia for JP Morgan Chase and a member of the credit management committee, head of Private Banking for Asia, Investment Banking, Treasury Department and Greater China Region of Citi, chairman of the asset and liability management committee, member of the credit management committee and senior director of global credit risk of Citibank, with rich experience in risk management of financial institutions.

Mr. William Coen served as Secretary General of the Basel Committee, during which time he led a working group to explore regulatory policies for climate-related financial risks, and conducted extensive research in the banking sector, laying a foundation for the policy documents by the Basel Committee, such as the *Principles for the Effective Management and Supervision of Climate-related Financial Risks* issued in 2022. Mr. William Coen is an experienced risk manager who previously worked for a NYC-based financial institution, responsible for business strategies, origination, and underwriting of retail credit and residential mortgage. He has participated in the development of the Basel III global regulatory requirements for managing credit risk, operational risk, market risk and model risk, and has in-depth knowledge of regulators' expectations related to risk management.

Lord Sassoon has extensive ESG experience, including of climate risk management. This experience derives from Lord Sassoon's long career as a banker, Treasury official and minister in the UK, and as a director of listed companies in Asia and Europe. He currently sits on boards of listed companies in China, the EU and UK, including being a member of the risk committee of a UK bank.

Mr. Lin Zhijun is currently the Senior Advisor to the President, Professor and PhD Supervisor of the Macau University of Science and Technology. In terms of ESG research, he has organised and hosted a number of academic annual meetings and seminars, including the 2023 Macau ESG and High-Quality Development of Accounting International Seminar and the 2024 Hengqin Guangdong, Hong Kong and Macao University Accounting Alliance Academic Annual Meeting, inviting academic and industry experts to discuss the latest ESG regulatory requirements and practical cases to promote the application of ESG concepts in practice. He has guided more than 10 PhD students to conduct ESG-related research, and based on the perspectives of corporate governance, operation performance and information disclosure quality, he has analysed and revealed the importance of ESG and its economic consequences through empirical research, which has important guiding value for deepening the theoretical cognition and practical application of ESG. In terms of ESG practice, Mr. Lin Zhijun has served as a member of the ESG Special Committee of the Board of Directors of many Hong Kong and Mainland listed companies. He has rich practical experience in ESG regulatory policies and normative research, ESG performance evaluation system development, and ESG information disclosure.

Mr. Zhang Weiguo was the Chief Accountant and Director General of the Department of International Affairs of the China Securities Regulatory Commission, responsible for formulating and supervising the financial and non-financial information disclosure requirements of China's capital market. As a member of Standing Committee 1 of the International Organisation of Securities Commissions, he has participated in many international discussions on accounting, auditing and non-financial information disclosure (covering ESG, sustainable development, and climate change related issues). He has worked at the International Accounting Standards Board, during which he was deeply involved in discussions on emerging frameworks such as the Global Reporting Initiative and the International Integrated Reporting Council. Mr. Zhang Weiguo has rich professional knowledge and work experience in the fields of ESG and climate change: as a member of important institutions such as the Sustainable Disclosure Standards Advisory Committee of the Ministry of Finance of the People's Republic of China, the ESG Committee of the China Association for Public Companies and the International Foundation for Valuation of Impact, he has participated in the formulation of the *Corporate Sustainable Disclosure Standards No. 1 - Climate (Trial) (Draft for Comments)*, and continues to promote the improvement of climate information disclosure standards; teaches ESG-related doctoral and MBA courses at Shanghai University of Finance and Economics and Tsinghua University, and has published a large number of professional papers on ESG and climate change as well as books such as *ESG Information Disclosure, Rating and Assurance*; he has founded an ESG and climate issue exchange platform that brings together nearly 500 members to provide academic and practical support for the development of the industry.

Board of Supervisors

The Board of Supervisors of the Bank attaches great importance to the establishment and operations of the ESG governance system. The scope of supervision covers ESG management, corporate governance, green finance development, consumer protection and other matters. The Board of Supervisors supervises the performance of ESG-related responsibilities of the Board of Directors and the Management, keeps following up on the implementation of ESG strategy and key work, and provides constructive supervisory suggestions on strengthening top-level design, consolidating foundational management, enhancing risk control, and improving capacity building. The Board of Supervisors also makes efforts in improving the Bank's ESG strategy and overall business planning, ensures that various ESG measures are effectively implemented, and attains the Bank's high-quality development at a faster pace.

The Management

The Management is responsible for formulating ESG objectives and major tasks and promoting the effective implementation in relevant departments, domestic and overseas branches, and subsidiaries. Multiple committees and work groups have been established to oversee various aspects of ESG-related work, jointly promoting the improvement of sustainable development practices. The composition and responsibilities of the committees of the Bank's Management are as follows:

Committee	Responsibilities
ESG Promotion Committee	Chaired by President of the Bank, this committee, including 35 member departments (operations), is responsible for overall management of ESG strategy planning, deployment, and coordination. This committee consists of three work groups: Environment, Social Responsibility, and Information Disclosure and Investor Relations. Each work group has clear roles and closely collaborates to effectively advance various initiatives.
Green Finance Committee	Chaired by President of the Bank, this committee oversees overall promotion of green finance across the Bank, responsible for studying and making decisions on significant matters related to the advancement of green finance business, and plans and implements key directions and initiatives for the development of green finance across the Bank.
Inclusive Finance Development Committee	Chaired by the Bank's executives, this committee is responsible for coordinating the development of inclusive finance business across the Bank, as well as studying and implementing the inclusive finance-related work arrangements of the CPC Central Committee, the State Council and regulators and the work requirements for promoting the development of inclusive finance across the Bank, put forward by the Party committee, the Board of Directors, and the President's Executive Meeting of the Head Office. Within its authority, the committee reviews significant operation and management matters.
FinTech and Digitalisation Promotion Committee	Chaired by the Bank's executives, this committee is responsible for coordinating the strategic planning and overall promotion of the Group's digital transformation, and studying digital transformation strategies, policies, and the development across the Bank. This committee reviews significant matters such as digital transformation and related data security and personal information protection. The committee ensures compliance with regulatory requirements and undertakes responsibilities of relevant leadership groups.
Consumer Protection Committee	Chaired by the Bank's executives, this committee conducts unified planning, deployment, promotion and supervision of consumer protection. This committee specifically arranges consumer protection initiatives and listens to reports on implementation, studies and addresses key and difficult issues, systematically organises and advances relevant efforts, and continuously tracks the implementation results.
Risk Management and Internal Control Management Committee	Chaired by President of the Bank, this committee is responsible for coordinating key risk and internal control matters across the Bank (including overseas operations and domestic subsidiaries), promoting the enhancement of the risk and internal control governance system across the Bank, studying the effectiveness of comprehensive risk management and internal control, coordinating to resolve existing issues, and deliberating on significant matters.
Sustainable Information Disclosure Flexible Team	Led by the Chief Financial Officer, this team consists of department heads and key personnel from the Head Office. The team is established to thoroughly implement sustainability disclosure requirements issued by the Ministry of Finance, the Shanghai Stock Exchange, and the Hong Kong Stock Exchange. The team is responsible for identifying, analysing, assessing, managing, and disclosing sustainability-related risks and opportunities, and effectively responding to stakeholder needs and expectations.

Progress in ESG Governance

On the basis of the Bank's ESG practices, the Board of Directors and the Board of Supervisors listen to reports from the Management regarding ESG-related issues, strengthen coordinated development through benchmarking industry-specific best practices, jointly exploring and improving ESG management. During the first half of 2025, the Board of Directors, the Board of Supervisors and the Management of the Bank advanced work on ESG governance as follows:

Governance	Progress
The Board of Directors and the Strategy Development Committee	In the first half of 2025, six board meetings and five meetings of the Strategy Development Committee were convened. The Board reviewed and approved proposals including the Bank's <i>2024 Annual Report</i> , <i>2025 Risk Appetite Statement</i> , the <i>First Quarter Report of 2025</i> , the <i>Comprehensive Risk Management Report</i> , and the <i>2024 Sustainability Report</i> . In line with regulatory requirements and the ESG work needs, the Board also reviewed and approved the <i>Report on Consumer Protection Efforts in 2024 and Work Plan for 2025</i> , the <i>Special Report on Related Party Transactions in 2024</i> , and the <i>Management Measures for Data Security (2025 Version)</i> . Additionally, the Board reviewed written reports such as the <i>2024 IT Risk Management Report</i> , the <i>Report on the Circular of Consumer Complaints in the Banking Industry in the First Three Quarters of 2024</i> , the <i>2024 Performance Remuneration Clawback Report</i> , the <i>Report on the Implementation of the Master Plan for Building a Digital CCB in 2024</i> , the <i>Report on Anti-money Laundering Efforts for 2024</i> , the <i>Report on Data Governance Self-assessment for 2024</i> , and the <i>Report on the Circular of Consumer Complaints in the Banking Industry in 2024</i> .
Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors	In the first half of 2025, the committee held four meetings. The committee listened to the implementation progress of the <i>Environmental, Social and Governance Work Plan (2023-2025)</i> and recommended closer monitoring of regulatory developments, accelerated establishment of a Scope 3 greenhouse gas emissions data accounting system, and the ongoing enhancement of disclosure practices, and further consolidation of the Bank's sustainability foundations. The committee also listened to updates on the work progress related to privacy and data security, as well as the reports on ESG-related matters, including corporate social responsibility fulfilment, green finance, inclusive finance, rural revitalisation finance, consumer protection, and related-party transactions. The committee discussed the 2024 ESG Rating Analysis Report, identifying areas for improvement in quantitative environmental disclosure within the environmental pillars and the accessibility of financial services. The committee advised benchmarking against global best practices, maintaining close tracking of domestic and overseas policies and industry trends, and incorporating the proposed measures into the 2026–2028 ESG Three-Year Work Plan.
Risk Management Committee of the Board of Directors	In the first half of 2025, the committee held four meetings. The committee reviewed and approved the 2025 Risk Appetite Statement, incorporating environmental, climate, and biodiversity risks into the Group's risk appetite. The committee promoted the establishment of a sound ESG risk management system for investment and financing activities, advanced the integration of ESG risk control requirements into the entire process of such activities, and continued to increase the share of green loans, accelerated exploring how to develop transition finance, and contributed proactively to biodiversity conservation. The committee also approved the <i>Management Measures for Data Security (2025 Version)</i> , providing guidance on strengthening the overall coordination of data security and personal information protection. The committee improved data lifecycle security management requirements in areas such as data collection, outsourced processing, and destruction, and standardised data handling activities for financial services, external partnerships, and business operations to safeguard the lawful rights and interests of different types of data entities. The committee listened to and discussed the <i>2024 IT Risk Management Report</i> , and studied IT risk identification and assessment, risk monitoring, risk control, risk landscape, and related work plans. The committee provided guidance on strengthening control over risks related to network and information security, business continuity, IT outsourcing risks, and risks arising from the application of new technologies. The committee also listened to and discussed the <i>Report on the Quantification of ESG-related Risks in 2024</i> , studied the ESG rating indicator system for corporate clients, model building and the operation situation after implementation, guided and drove the application of ESG rating results in credit ratings, ESG risk classification management, ESG stock index building and ESG-related product innovation, etc.
Nomination and Remuneration Committee of the Board of Directors	In the first half of 2025, the committee held five meetings. The committee listened to a dedicated briefing on the <i>Report on Employee Training of the CCB Learning Centre (Research Institute)</i> , and conducted an in-depth analysis of the development of the digital employee training ecosystem and the full-cycle training system for employee career development. The committee also provided guidance on optimising training resource investment and enhancing the training and reserve of professionals.
Audit Committee of the Board of Directors	In the first half of 2025, the committee held four meetings, including one closed-door session with external auditors, one pre-communication meeting to discuss the annual financial report, and one special seminar with external auditors on benchmarking analysis of leading domestic and overseas peers. During the review of the annual financial report and related financial information, the committee provided guidance and coordination to optimise the disclosure of the sustainability report and the annual report.

Governance	Progress
Board of Supervisors	In the second half of 2024, the Board of Supervisors conducted special research on pension finance, offering recommendations on supporting the sustainable development of the pension service in terms of system and mechanism improvements, product and service innovation, and ecosystem development. The Performance and Due Diligence Supervision Committee of the Board of Supervisors listened to the report on the implementation of the <i>Environmental, Social and Governance Work Plan (2023-2025)</i> , and advised making steady progress in the next phase, with a particular emphasis on further strengthening efforts in the social and governance dimensions on the basis of overall planning. In the first half of 2025, the Board of Supervisors reviewed and approved the <i>2024 Sustainability Report</i> and the <i>Evaluation Report on the Inclusive Finance Strategic Development Plan (2021-2023)</i> , and made discussions on the <i>Report on the Status of Consumer Protection</i> .
Management	Progress
ESG Promotion Committee	In the first half of 2025, the committee actively advanced the implementation of requirements and plans made at the 2024 annual work conference, continued to follow up on the progress of the <i>Environmental, Social and Governance Work Plan (2023-2025)</i> , conducted research on and analysis of the latest regulatory requirements and implementation priorities for ESG information disclosure, and promoted improvements in the quality and effectiveness of ESG and climate risk management.
Green Finance Committee	In the first half of 2025, the committee advanced the implementation of key tasks in green finance in support of the green transformation of economic and social development. The committee organised dedicated training sessions on green finance and issued the <i>CCB Green Finance Talent Pool Development Plan</i> , with a focus on building a strong green finance talent team.
Inclusive Finance Development Committee	In May 2025, the committee convened its first meeting of the year to listen to the report on the progress in inclusive finance operations and to make arrangements for key initiatives. The committee pointed out that the Bank should adhere to high-quality development standards, take concrete measures to deepen the reform of the inclusive finance business operation and management model, and to effectively complete the Inclusive Finance Priority.
FinTech and Digitalisation Promotion Committee	In the first half of 2025, the committee held two plenary meetings and 14 thematic sessions. The committee reviewed and approved the <i>2025 Action Plan for Digital Finance Development</i> , the <i>Mobile App Management Procedures (2025 Version)</i> , the <i>Cloud-Native Information Innovation Technology Transition Implementation Plan (2025-2028)</i> , the <i>Data Quality Management Rules for the "Five Priorities" of Finance</i> , and the <i>Centralised Operational Plan for Anti-Gambling and Anti-Fraud Measures in the e-CNY Wallets</i> . The committee also made arrangements for the implementation of key tasks.
Consumer Protection Committee	In the first half of 2025, the committee held one plenary meeting and one thematic session to study the complaint reduction plan for 2025 across the Bank and in key business areas. The committee listened to reports on complaints in 2024, the results of consumer protection audits, and the implementation of requirements of the National Financial Regulatory Administration. The committee also conducted a collective study of recently issued regulatory policies.
Risk Management and Internal Control Management Committee	From the second half of 2024 to the first half of 2025, the committee deeply studied the progress in Basel III compliance, risk management and control in key areas, security production of information systems and the implementation of cybersecurity, etc.
Sustainable Information Disclosure Flexible Team	In the first half of 2025, the team's member departments coordinated to advance key tasks, including the identification of financial and impact materiality issues, the financial impact analysis of climate-related risks and opportunities, and the preparation of sustainability reports. The team actively integrated internal and external training resources, conducted visits to domestic and overseas peers and professional organisations, and continued to advance sustainability-related talent training and cultivation. In parallel, the team made regular research and discussions on major and challenging issues, and reported the progress on a monthly basis to the Chairman, the President, Vice Presidents, the Secretary to the Board, Chief Risk Officer, and the Chief Financial Officer, thereby driving tangible results in sustainable management practices.

ESG Performance Assessment

The Bank continues to strengthen the implementation of the performance evaluation system for the ESG work of the Board of Directors, the Board of Supervisors and the Management, optimises the clawback mechanism for performance remuneration, promotes the close linkage between pay and sustainability performance, and further strengthens the supervision and management effectiveness of the Board of Directors, the Board of Supervisors and the Management.

Remuneration clawback mechanism

In accordance with the *Supervisory Guidelines on Sound Compensation in Commercial Banks*, the Bank has established and continuously improves the clawback mechanism for performance remuneration of senior management members and key personnel, and continuously refines the internal system related to the clawback of performance remuneration, which ensure, based on the severity of the situation, partial or total clawback of performance remuneration within the corresponding period.

Management structure

The Bank's Board of Directors and the Nomination and Remuneration Committee are responsible for overseeing and guiding the implementation of the Bank's rules on performance evaluation system and remuneration system, and annually review the proposal on the report on the clawback of performance remuneration. The Management implements the regulatory requirements and the internal performance remuneration system, the Comprehensive Operation and Management Committee is responsible for organising the implementation of the Board of Directors' remuneration management resolutions, and the Accountability Committee is responsible for conducting deliberation and approval on accountability. The Human Resources Department of the Head Office is responsible for the concrete implementation of management initiatives on relevant clawback provisions; the Internal Control and Compliance Department of the Head Office is responsible for the pursuit of accountability for non-compliance; and the Audit Department, Risk Management Department, and Finance and Accounting Department of the Head Office are responsible for supervising the implementation of the remuneration mechanism and providing feedback for improvement.

Policy requirements

The Bank has issued and implemented the *Management Measures of Deferred Payment and Clawback of Performance Remuneration (2024 Version)*, strictly enforcing the deferred payment and clawback policy of performance remuneration for the Group's senior management members and key personnel. Over 40% of performance remuneration is subject to deferment, with a minimum deferment period of three years, following the principle of equal division. The Bank clearly stipulates that, if senior management members and key personnel make a significant mistake, cause significant financial loss to the Bank, fail to meet performance assessment standards, falsify performance results, or violate remuneration management procedures, the recourse and clawback process will be initiated for previously distributed performance annual salary and term incentive income.

Implementation process

The Bank assesses the severity of the circumstances which lead to the clawback of performance remuneration and enacts varying proportions of payment clawback on the related staff. The category of remuneration to be clawed back is performance remuneration, including quarterly performance or annual performance, and the methods include the reduction of a fixed amount or between 5% and 100% of the performance remuneration. The specific claw back decision is followed by a clawback action. During implementation, the clawback is first deducted from the performance remuneration to be paid in the current year. If the amount is insufficient, further deductions are made from the unpaid and deferred performance remuneration. If the amount is still insufficient, additional deductions will be preferentially taken from the employee's other remunerations. If shortfall still exists, the Bank may require relevant personnel to return salaries that have been paid.

Pay linked to sustainability

The Bank has established and continuously improves the performance evaluation mechanism for executive directors, shareholder representative supervisors, and senior management members. The Bank continuously optimises the mechanism of linking remuneration to sustainability. In accordance with regulatory policy requirements, articles of association, and annual business plans, sustainability-related indicators are integrated as part of the performance evaluation, given a high degree of attention.

Indicators

The Bank has established quantitative and qualitative sustainability-related indicators for the performance evaluation indicator system. Based on the Bank's sustainable development objectives of "striving to develop green finance, improving green operation management, helping to protect the environment from pollution and promote the low-carbon transformation of the economy and society, enhancing consumer rights protection, and strengthening talent planning and training", the Bank continues to improve the establishment of sustainability-related indicators and performance evaluation mechanism, setting a direct link between performance evaluation result and remuneration, in line with the sustainable development strategy of the Bank, ensuring the implementation of relevant management initiatives.

Quantitative assessment on sustainability

Establishing sustainability-related indicators such as "technology finance" and "green finance", covering green finance, inclusive finance, rural revitalisation, client protection, case prevention and control, and anti-money laundering. The total weight of such quantitative indicators accounted for over 20%.

Qualitative evaluation on sustainability

Establishing sustainability-related indicators such as "duty performance assessments", clearly requiring "comprehensively promoting green finance, vigorously supporting the low-carbon transformation of key areas such as energy conservation and environmental protection, clean energy, and traditional enterprises, and assisting in the implementation of the national strategy of 'Carbon Peak and Carbon Neutrality'", as well as emphasising complete, accurate and comprehensive implementation of the new development concept, continuously improving corporate governance, promoting the modernisation of the governance system and governance capabilities, with efforts to promote business transformation and development innovation, and the total weight accounted for over 20%.

Implementation

Since the establishment of sustainability-related indicators, the Bank has continuously reinforced the close link between sustainability performance and remuneration of executive directors, representative shareholder supervisors and senior management members to optimise the setting of sustainability-related indicators and assessment mechanism, regarding the results of performance evaluation as the basis of the floating coefficient for determining annual performance salary, which directly linked to their remuneration. Objectives and tasks related to sustainability have been more effectively achieved, and remuneration has effectively worked as an incentive and restraint in sustainable development.

Say on pay policy

Policy essentials

According to the rules of procedure of the Bank's general meeting of shareholders, the general meeting of shareholders shall exercise decision-making rights on the remuneration of directors and supervisors in accordance with the law, and implements the supervision of general shareholders in respect of the allocation of remuneration to directors and supervisors. In the course of specific implementation, the Management of the Bank formulates a remuneration distribution and settlement plan each year covering all directors, supervisors and senior management members, which is implemented after being reviewed and approved by the Board of Directors, of which the remuneration distribution and settlement plan for directors and supervisors shall also be submitted to the general meeting of shareholders for review and approval. All reviewed and approved remuneration distribution and settlement plans are disclosed to the public in accordance with relevant requirements.

Implementation

On 28 November 2024, the second extraordinary general meeting of 2024 of the Bank was convened to review and approve the *Remuneration Distribution and Settlement Plan for Directors for the Year 2023* and the *Remuneration Distribution and Settlement Plan for Supervisors for the Year 2023*, details of which can be found in the Bank's *Meeting Information for the Second Extraordinary General Meeting of 2024*, with the results of the deliberations as detailed in the *Voting Results of the Second Extraordinary General Meeting of 2024*.



Corporate Behaviour

The Bank attaches great importance to the management of business ethics related matters, establishing and continuously improving the business ethics governance framework. The Board of Directors, the Board of Supervisors, and the Management at all levels work closely together to strictly oversee the implementation of business ethics management. The Bank has formulated high-standard codes of business ethics and a comprehensive policy system covering all employees (including permanent staff and workers dispatched from labour leasing companies), systematically integrated policies on anti-bribery, anti-corruption, and employee behaviour management, with key provisions highlighted and disclosed externally. Multiple whistleblowing channels have been established with enhanced measures in place to protect whistleblowers. Tiered and categorised training programmes on business ethics are carried out to ensure that business ethics requirements are effectively communicated to all employees. The Bank promotes business ethics audits and inspections to maintain the bottom line of compliant operations and safeguard a fair and transparent business environment.

Business Ethics Governance Framework

The Bank focuses on building the management system for business ethics, incorporating anti-bribery, anti-corruption, anti-money laundering, employee behaviour management, conflict of interest, code of business conduct, and whistleblowing management into the scope of business ethics management. A standardised policy management system has been developed to clearly define the supervisory and management responsibilities of the Board of Directors and its Risk Management Committee in relation to employee behaviours, compliance risk, anti-money laundering, and other business ethics matters. The Board of Directors assumes ultimate responsibility for the compliance of the Bank's operational activities, including the review and approval of compliance policies and their implementation, as well as case prevention and control. The Risk Management Committee of the Board of Directors is responsible for supervising the compliance of the Bank's core business, management systems, and major operational activities.

The Board of Directors and its Risk Management Committee review the annual evaluation report on the effectiveness of compliance management and the development of compliance culture. From the compliance governance framework, the fulfilment of compliance management responsibilities, safeguards for compliance management, and the effects of compliance management, the report assesses the effectiveness of the Group's compliance management and the level of compliance culture development to identify trends in compliance risk and work priorities, strengthening the Group's compliance culture. In the first half of 2025, the Board of Directors and its Risk Management Committee reviewed and approved the *2024 Risk Prevention and Control Evaluation Report on Criminal Cases*, which aims to enhance the Group's case prevention and control management. Additionally, a special study was conducted on anti-money laundering efforts and capacity building, guiding the improvement of the anti-money laundering system and enhancing the Group's ability to combat money laundering.

In addition, in terms of employee behaviour management, the Bank's *Management Measures for Employee Behaviour* stipulates that the Board of Directors holds ultimate responsibility for employee behaviour management, including the approval of relevant codes of conduct and the supervision of the Senior Management in managing employee behaviours. The Senior Management is responsible for the implementation of employee behaviour management, including establishing a comprehensive employee behaviour management system, defining the responsibilities of relevant behaviour management departments, formulating policies for employee behaviours and ensuring that the policies are effectively implemented. The Senior Management also reports results of employee behaviour evaluations to the Board of Directors annually.

Anti-bribery and Anti-corruption

The Bank upholds the core values of "integrity, impartiality, prudence, and creation", strictly complying with all anti-bribery and anti-corruption laws and regulations in China and other jurisdictions in which it operates, as well as relevant international standards. Adhering to the principle of integrity in operation, the Bank consistently maintains a fair and transparent business environment. The Bank requires all employees and third parties engaged in business with the Bank to uphold business ethics, act with integrity, comply with market rules, and adhere to fair competition. The Bank adopts a "zero-tolerance" stance towards any form of bribery or corruption, continuously fostering a corporate culture of integrity and self-discipline.

Management structure

The Bank has established an anti-bribery and anti-corruption management framework that involves the Board of Directors, the Board of Supervisors, and the Management, and works closely with the public sector, focusing on the effectiveness and quality of anti-bribery and anti-corruption efforts. The Bank strictly enforces the supervisory mechanism for anti-bribery and anti-corruption efforts. Institutions dispatched by public authorities work with the Bank's Compliance Department, Risk Management Department, and Internal Audit Department to implement joint governance. They dynamically identify, assess, investigate, and control potential bribery and corruption risks, enforce relevant anti-bribery and anti-corruption policies and procedures, and regularly review the implementation of the mechanism.

System construction

The Bank strictly complies with the *Banking Supervision Law of the People's Republic of China*, the *Guidelines for the Internal Controls of Commercial Banks*, and other applicable laws, regulations, and regulatory requirements. The Bank has systematically reviewed existing internal anti-bribery and anti-corruption policies and compiled the *Anti-bribery and Anti-corruption Policy Overview*¹, which was formally disclosed through public channels. This policy applies to directors, supervisors, executives, all employees, and workers dispatched from labour leasing companies of the Bank and all subsidiaries. The policy systematically standardises the Bank's anti-bribery and anti-corruption practices in terms of the scope of application, general principles and requirements, key areas and requirements, and management mechanisms. The policy underscores the importance of integrity and self-discipline, clear separation between personal and public interests, and compliance with professional conduct standards. It establishes specific requirements in critical areas such as personnel appointment and removal, procurement, credit, charitable donations, and management of business partners. In addition, it ensures the comprehensiveness and effectiveness of anti-bribery and anti-corruption efforts through establishing management mechanisms involving organisational safeguards, risk assessments, whistleblowing, compliance education and training, employee behaviour management, and record-keeping.

The Bank places great importance on employee behaviour management, establishing a multi-tiered policy system across the Bank and all business lines. This system clearly defines lawful and compliant behaviours that employees shall observe, improper behaviours that should be avoided, prohibited violations, and strictly forbidden illegal or criminal acts. The Bank has issued policy documents such as the *Code of Conduct for Employees*, and the *Employee Compliance Manual*, which set out specific prohibitions across the Bank, particularly regarding employee involvement in bribery or corruption, the infringement of the security of the Bank or clients, and the infringement of personal information. For key business lines such as credit, procurement, and finance, the Bank has formulated specific rules, including the *Detailed Rules for the Management of Employee Behaviours in the Finance and Accounting Lines*, the *Prohibitions for Credit Personnel*, and the *Prohibitions for Procurement Personnel*. These dedicated guidelines effectively regulate employee behaviours to ensure the compliance of business operations. Additionally, the Bank has formulated the *Business Recusal Policy*, requiring employees to proactively declare and recuse themselves from involvement in the investigation, review, or decision-making processes of relevant matters when handling key business, so as to effectively prevent conflicts of interest and compliance breaches.

Requirements for ethical behaviour

The Bank strictly regulates employee behaviours. All employees are required to uphold professional ethics, adhere to the principles of separating personal and public interests, and maintain integrity and self-discipline. They must proactively prevent and declare any actual or potential conflicts of interest, and are strictly prohibited from engaging in misconduct for personal gain. The Bank prohibits relevant improper behaviours, including accepting arrangements of hospitality, travel, fitness, entertainment and other activities that may affect integrity, and using one's authority to embezzle the Bank's assets, misappropriate public funds, engage in bribery or corruption, illegally make profits for oneself or family members, misuse of authority, insider trading in securities in violation of regulations, market manipulation, etc.

The Bank maintains a "zero-tolerance" stance towards bribery and corruption committed by employees. Any breach of anti-bribery and anti-corruption requirements will be immediately halted, followed by investigation and verification. Where the misconduct is substantiated, the Bank imposes internal accountability and disciplinary action depending on the severity of the circumstances. Employees found to have used their position power for personal gain in exchange for benefits, accepted gifts or monetary offerings in breach of regulations, secured benefits for related parties, or engaged in improper financial dealings may face disciplinary measures ranging from formal warning to dismissal, depending on the circumstances. Employees who accept hospitality, travel or similar arrangements that may compromise integrity may be subject to a warning or serious demerit for more serious cases, and demotion or removal from post for grave violations. When necessary, cases will be transferred to judicial authorities, and the Bank may issue internal notices and initiate rectification accordingly.

The Bank continues to strengthen the mechanism for detecting employee misconduct by implementing a range of measures, including routine inspections and the monitoring of multi-role operation models in key business areas. These initiatives aim to enhance the Bank's ability to identify employee malpractice, including abuse of authority for personal gain, corruption, and misconduct that harms the interests of clients or the Bank. Through timely risk prevention, the Bank ensures the effective management of the anti-bribery and anti-corruption efforts.

¹ Anti-bribery and Anti-corruption Policy Overview: https://www.ccb.com/eng/2023-08/01/article_2023080117295361825.shtml

Business Ethics Training

The Bank is committed to building a hierarchical and classified business ethics training system covering all employees, comprehensively improving the business ethics literacy of employees, and effectively promoting the effective implementation of business ethics standards throughout the Bank. The Bank designs differentiated business ethics special training courses for different groups such as the directors, supervisors, the Senior Management, key personnel and new employees, focusing on strengthening compliance awareness and improving business ethics standards. Meanwhile, the Bank adopts diversified training forms, covering collective education, online learning and test evaluation. The Bank consistently provides training on business ethics and compliance warning and education to all employees (including permanent staff and workers dispatched from labour leasing companies). The training covers core areas such as anti-corruption, anti-money laundering, anti-fraud, personal information protection, sanction risks, violation handling methods, and compliance risks, effectively build a solid foundation for integrity culture.

■ Members of the Board of Directors, the Board of Supervisors and the Senior Management

The Bank has arranged for the Board of Directors, the Board of Supervisors, and the Senior Management to participate in various special trainings conducted by financial regulatory bodies, industry self-regulatory authorities and other institutions to ensure that they keep abreast of the latest supervisory policies and legal requirements and continuously improve their performance. All of the Bank's members of the Board of Directors participated in trainings on laws and regulations related to anti-corruption, and some members of the Board of Directors, the Board of Supervisors and the Senior Management participated in special trainings on market value management, rules on shareholding changes for listed companies, new quality productive forces on artificial intelligence, information disclosure, and the independent director policies, to effectively enhance their decision-making and compliance governance capabilities in accordance with the law.

■ All employees (including permanent staff and workers dispatched from labour leasing companies)

The Bank has established a business ethics training mechanism covering all employees, built a combination of online and offline training channels such as centralised publicity, collective learning, independent learning, and online courses, and regularly organised all employees to participate in business ethics standards training and capacity building.

The Bank has organised all employees to study the *Code of Conduct for Employees*, and relevant anti-corruption system specifications, clearly conveying the requirements of compliance and honest practitioners to operations and employees at all levels, to jointly maintain a fair and honest work environment. Focusing on business ethics standards and compliance work specifications, the Bank clearly requires all employees to abide by the bottom line of integrity, strictly prohibiting using their authority to seek improper interests, strictly prohibiting theft, embezzlement or misappropriation of funds or other property of the Bank and clients, strictly prohibiting improper financial transactions with stakeholders, eliminating false and misleading statements in credit or investment and wealth management business, strictly prohibiting the sale of consumer financial information, and prohibiting unauthorised sale of financial products not from the Bank, to effectively enhance the compliance awareness of all employees. Meanwhile, by analysing typical violation cases and major risk events, the Bank continues to strengthen warning and education effects, guiding employees to consolidate the ideological foundation of "not wanting to violate regulations".

In order to continuously deepen employees' understanding of compliance education and increase the frequency of compliance education, the Bank actively organises online tests, knowledge competitions, and other interactive learning activities to reinforce the effectiveness of learning outcomes. The Bank utilises the employee behaviour management system to deliver diverse compliance education content through various forms, including videos, audios, articles, and messages, supporting online interactions and communications with employees. As of the end of the first quarter of 2025, a total of 628,000 person-times had participated in the learning, with the warning and education materials accurately delivered.

The Bank continues to promote clean financial culture building, launching an integrity education channel on the "CCB Learning" Platform, to create an online main platform for integrity education for all employees across the Bank. The Bank gives full play to the fundamental effect of education, strengthens employees' awareness of integrity and compliance, introduces 19 high-quality courses such as *Integrity Warning and Education Videos* and integrity culture. The Bank invites well-known experts and scholars to record 10 high-quality special courses across the Bank, highlighting the study and education of laws and regulations.

■ Compliance personnel

The Bank regularly conducts training for compliance personnel every year, covering core areas such as employee behaviour management, case prevention and control, and accountability for non-compliance, to focus on improving the professional quality and performance of compliance personnel by specialised trainings. In the first half of 2025, the Bank organised specialised training sessions for employees in compliance-related roles within the Group on topics such as daily duty performance, abnormal behaviour investigation, and employee behaviour management.

■ Key positions personnel

For key positions, such as branch managers, client representative managers, and customer service managers, the Bank regularly organises normalised warning and education activities on compliance and anti-corruption every year through diversified education forms such as compiling typical case compilations, organising online compliance tests, and producing warning and education videos to effectively enhance the compliance awareness and risk prevention capabilities of key positions personnel.

■ New employees

The Bank regards business ethics as an important part of the induction training of new employees, through a combination of online and offline training methods, systematically conducts special training for new employees such as the code of conduct and prohibitive provisions every year. The Bank adopts a variety of methods such as special campaigns, door-to-door delivery of lessons and online quizzes to focus on strengthening the knowledge and understanding of business ethics standards among new employees, effectively improving employee professional ethics and compliance awareness, to ensure that business ethics requirements are effectively implemented.

Whistleblower Protection

The Bank strictly implements management requirements of strict governance, optimises the employee behaviour management mechanism, expands supervision and reporting channels, continuously improving the comprehensive supervision and management system. The Bank has formulated and strictly implemented a series of reporting-related policies for reporting and petitioning, encouragement of real-name reporting, clarification of false reporting, and rewards for reporting illegal or irregular activities, encouraging informed persons to actively provide clues to illegal and irregular activities. The Bank strictly implements whistleblower protection measures, effectively improves the efficiency of reporting illegal activities, and effectively strengthens the business ethics across the Bank.

■ System construction

The Bank continuously optimises the whistleblower protection supervision mechanism to actively ensure smooth reporting channels, firmly protecting the legitimate rights and interests of whistleblowers. The Bank has systematically sorted out a series of reporting policies, including Letters and Visits, encouragement of real-name reporting, clarification of false reporting, and rewards for reporting illegal or irregular activities. These practices were generalised and consolidated into the *Whistleblowing Policy Overview*², which was officially published, comprehensively enhancing the transparency and credibility of the system. This policy applies to whistleblowers who obtained information about misconducts in relevant scenarios within the Bank (including all employees, clients, suppliers, etc.). The scope of reported incidents includes financial issues, internal control vulnerabilities, illegal activities, and regulatory violations. Reporting channels include letters, emails, phone calls, faxes, on-site visits, and other online and offline channels. Reporting methods include real-name and anonymous reporting.

The Bank conscientiously implements the requirements of the *Regulations on Letters and Visits*. The Bank has established complete petition reporting channels at various levels, set up dedicated departments at tier-2 branches and above to receive and handle petitions and reports, providing whistleblowers such as citizens, legal entities, or other organisations with various means such as letters, emails, phone calls, faxes, and visits, to extensively collect issues and suggestions on operation management, labour employment, personnel appointment, business disputes, customer services, and business ethics. The relevant channels were published on the Bank's website to provide convenience for whistleblowers to report complaints, ensuring timely and effective handling of reported issues.

The Bank strictly adheres to the confidentiality system for whistleblower information, ensuring the confidentiality and legal rights of all whistleblowers. The collection, storage, use, processing, transmission, provision, and deletion of whistleblower information are conducted in accordance with legal, legitimate, necessary, and honest principles. The Bank strictly abides by relevant national laws and regulations as well as relevant systems of the Bank, strictly controlling the scope of access to the information, to prohibit unauthorised retention and information disclosure. The Bank handles whistleblower reports, based on facts, legal regulations and internal rules, in accordance with prescribed procedures, including overall management, dedicated personnel, and priority handling of significant reports.

In addition, the Bank issued the *Measures for Rewarding Blocking, Resisting, and Reporting Illegal and Irregular Behaviours* to actively encourage and guide all employees to proactively prevent, resist, and report all types of illegal and irregular behaviours, and to reward and commend relevant employees who truly reported or proactively provided information on misconduct, resolved risks in a timely manner, and reduced or avoided the loss of funds and assets of the Bank and clients, requiring all operations to keep employees' personal information confidential. The Bank regularly reviews and revises the *Measures for Handling Employee Violations*, which clearly stipulates any behaviour that obstructs others from reporting, leaks whistleblower information, retaliates against whistleblowers, or intervenes with the handling of reports, shall be subject to administrative penalties in accordance with rules and laws.

² Whistleblowing Policy Overview: http://www.ccb.com/eng/2023-08/01/article_2023080117451927647.shtml

■ Protection measures

The Bank strictly adheres to the confidentiality system for reported matters to effectively safeguard the confidentiality of the identity and legitimate rights and interests of all whistleblowers. The Bank has implemented a series of protective measures for whistleblowers, including but not limited to the following aspects:

- The collection, storage, use, processing, transmission, provision, and deletion of reporting information adhered to the principles of legality, legitimacy, necessity, and integrity, in compliance with relevant national laws and regulations on personal information protection, as well as the Bank's information security policies;
- The Bank controlled the scope of access to information about the handling of reported matters and strictly prohibited unauthorised retention, concealment, access, transcription, copying, or acquisition of related issue clues and materials;
- Without the consent of the whistleblower, it was prohibited to disclose information regarding the identity of the whistleblower or the content of the report to anyone other than the authorised personnel responsible for receiving and handling the report;
- The storage of reporting information did not exceed a necessary and appropriate period of time;
- Violations, such as obstructing others from reporting, leaking reporting information, retaliating against whistleblowers, and interfering with the handling of reports were dealt with in accordance with relevant laws and regulations, as well as the Bank's regulations, such as the *Provisions on the Administration of Letters and Visits* and the *Measures for Handling Employee Violations*. Depending on the nature, impact and consequences of the violation, the Bank gives punishment ranging from warning to dismissal.

■ Processing procedure

The Bank coordinates the management of reported matters received through various channels, assigns dedicated personnel for coordination, and promptly registers and follows up on processing procedures. For reported matters that included the whistleblowers' real names (or organisation names), with clear and accurate address and contact information, the Bank promptly informs the whistleblower of the acceptance and processing results, and according to the nature of the matter and the scope of personnel involved, different authorised institutions handle the matter according to their respective responsibilities and management authority. The Bank conducts the processing of reported matters in accordance with regulations and procedures for reporting. Significant reported matters are promptly escalated, timely reported and given priority in processing. Meanwhile, the avoidance system is strictly processed. If a whistleblower - handling personnel is a close relative of the reported person or any other relationship exists that may affect impartial handling, the personnel must not participate in the reporting process. The whistleblower and other relevant individuals have the right to request recusal.

■ Supervision and training

The Bank supervises and inspects whistleblower mechanism's effectiveness and the protection of whistleblowers, and offers specialised training to boost the capabilities of staff handling whistleblowing, aiming to enhance the quality and effectiveness of whistleblower protection. In the first half of 2025, the Bank organised 5 special inspections on Letters and Visits in conjunction with the inspection, organised a joint meeting on Letters and Visits and 5 video conferences on Letters and Visits supervision, organised the Letters and Visits team to visit relevant branches for research and supervision twice, held the 2025 Letters and Visits training session, and conducted special training for Letters and Visits cadres of all first-level branch, focusing on key tasks such as source governance of Letters and Visits contradictions, standardisation of Letters and Visits business, and construction of Letters and Visits cadre team, to help the high-quality development across the Bank.

Audit of Business Ethical Standards

■ System construction

The Bank attaches great importance to the supervision and management of matters regarding business ethics. In combination with regulatory requirements and actual business operations and development, the Bank conducts regular reviews on business ethics-related matters such as anti-bribery, anti-corruption, anti-money laundering, employee behaviour norms, and operational risk management. In compliance with the requirements of relevant policies, such as the *Anti-Money Laundering Management Measures*, the *Operational Risk Management Policy*, the *Management Measures for Risk Prevention and Control of Criminal Cases*, and *Measures for Handling Employee Violations*, the Bank regularly organises and carries out audits and inspections on business ethics-related matters across the Group.

The Bank conducts data analysis related to employee behaviours covering all organisations of the Group on a regular basis, and conducts online intelligent early warning and dynamic monitoring of abnormal employee behaviours. Based on the principle of risk orientation, combined with regulatory requirements and actual business operation and development, the Bank conducts comprehensive risk assessment of all operations every year, dynamically determines the focus of audit attention and coverage of business ethics matters, and ensures that the audit on matters related to business ethics covers all operations of the Bank every year through a combination of special audits and comprehensive business audits, on-site and off-site methods. The Bank's examination focuses on the management of business ethics matters, including but not limited to the re-inspection, revision, and implementation of relevant policies and regulations including the *Management Measures for Risk Prevention and Control of Criminal Cases*, the *Operational Risk Management Policy*, the *Management Measures for Employee Behaviour*, the *Measures for Handling Employee Violations*, and the *Anti-Money Laundering Management Measures*, the effectiveness of daily work procedures and systems, and the implementation of relevant policies and regulations, as well as the execution of employee behaviour management mechanisms that are either offline and grid based or online and intelligent, continuously strengthening the supervision and management of employee behaviour and business ethics. In addition, the Bank's external auditor regularly audits the effectiveness of the Group's internal control over financial reporting, pays attention to the development of implementation of business ethics related systems, reviews the Bank's internal rules and regulations, understands the specific control processes, and implements relevant control testing procedures.

In response to the situation of employee behaviour management, the Bank regularly implements investigations into irregular behaviours, carries out regular data analysis of employee behaviours, gives early warning to abnormal behaviours of employees, identifies and addresses misconduct such as abuse of authority for personal gain, corruption, and other unethical behaviours in time, ensuring early identification, early warning, early detection, early resolution and effectively preventing case risks.

■ Work mechanism

The Bank's Audit Department is responsible for developing the internal audit plan covering business ethics matters at the beginning of each year. Once approved by the Board of Directors, the plan is implemented accordingly. The Audit Committee of the Board of Directors regularly listens to the key findings of internal audits and the progress on corrective actions, ensuring that relevant parties effectively address the issues identified during audits.

The Bank performs business ethics-related audits, including regular operational risk management audits, case risk prevention and control audits, and dynamic audits of operational risks related to employee behaviour to continuously and dynamically monitor the development and operation of the risk management system, the effectiveness and quality of employee behaviour management and case risk prevention management, and issues related to employee misconduct. The Bank also carries out anti-money laundering audits annually, focusing on the internal control mechanisms and core obligation fulfilment related to anti-money laundering. Additionally, annual audits are performed on the key business and operational management of overseas operations and subsidiaries, with a particular focus on compliance matters such as anti-money laundering and case risk prevention and control, ensuring proactive adherence to local and industry-specific regulatory requirements.

■ Work progress

In early 2025, the Bank completed the formulation of the internal audit plan for 2025, and the Bank would organise and conduct operational risk management audits within the year, focusing on the development and operation of the Bank's operational risk management system based on regulatory policy requirements. For all domestic tier-1 branches (37 branches), the Bank would conduct dynamic audits on employee key operational risks, focusing on business ethics related matters such as employee behaviour management and significant violation behaviours. Anti-money laundering special audits would be conducted for eight domestic tier-1 branches, reviewing client identification, transaction reporting, money-laundering risk assessment, sanction compliance management, and issue rectification, covering anti-money laundering related matters of other domestic branches through the operation and management audit of branches in the responsible area. The Bank would pay attention to the implementation of overseas supervision and industry regulatory requirements, through audits which will be conducted on the main business operations and management or special audits of 13 overseas operations and seven subsidiaries relevant to money laundering risk and sanctions compliance, continuously improving the audit supervision of business ethics and compliance across the Bank.

The Bank actively plays the role of inspection in the supervision and management of business ethics. In the first half of 2025, the Bank launched two rounds of inspections, covering 13 operations. Each tier-1 branch's Party committee conducted inspections of subordinate departments and secondary operations, focusing on power and responsibility, strengthening supervision over the "top leaders" and the leadership teams, with a focus on the operation of authority in key areas and critical processes, as well as the implementation of the Central Committee's eight-point decision on improving work conduct. The inspections aimed to identify serious breaches of discipline, uncover corruption behind such breaches, and expose widespread or systemic manifestations of formalities, bureaucratism, hedonism and extravagance. This initiative supported the integrated advancement of "anti-corruption and anti-misconduct" efforts, helping inspected organisations strengthen education, management and supervision, address institutional and mechanism weaknesses, and reinforce the role of supervision in ensuring effective implementation and promoting sound development.

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Green Finance

The Bank earnestly implements Xi Jinping Thought on Ecological Civilization, and steps up efforts in green finance. In line with the green finance working principles of comprehensive planning, steady and orderly progress, classified policies, and innovation-driven development, the Bank continues to implement the *Guiding Opinions on Deeply Stepping up in Green Finance*, the *Strategic Plan for Green Finance Development (2022-2025)* and other work and strategic requirements, fully supporting green and low-carbon development. Based on key tasks such as business development, green transformation, and product innovation, the Bank continuously improves the green finance product and service system, strengthens the assessment and supervision mechanism, enhances comprehensive financial service capabilities, bolsters the green transformation of regional development, increases support for green industries, and promotes environmental pollution prevention and control and the low-carbon transition of the economy and society, so as to contribute more financial strength to sustainable economic and social development. The Bank further deepens sustainability-related financial business and product innovation. As of the end of 2024, the net interest income from green finance and inclusive finance loans had respectively accounted for 3% and 7% of the Group's operating income.

Green Credit

The Bank continues to expand the scope of green credit products and services to proactively meet the green development needs of enterprises. The Bank formulates and cascades annual green finance development goals to optimise the green finance KPI assessment indicator rules, further improving incentive and guarantee measures. As of the end of the first quarter of 2025, the Bank's green loan³ balance was RMB5.64 trillion, an increase of 13.18% over the same-calibre balance at the beginning of the year, mainly investing in key industries such as green and low-carbon transformation of energy, green upgrading of infrastructure, and ecological protection, restoration and utilisation, actively contributing to the overall green transformation of the economy and society and the realisation of Carbon Peak and Carbon Neutrality.

The Bank actively utilises monetary policy tools to comprehensively and deeply support green and low-carbon development and promote the green transformation of enterprises, strongly supporting the construction of projects in the fields of clean energy, energy conservation and environmental protection, carbon emission reduction technology, and clean utilisation of coal. The Bank also consistently optimises the green credit whitelist mechanism to increase support for green enterprises and projects. The Bank actively offers differentiated policy support for green credit to high-quality clients.

As of the end of 2024

Cumulative carbon emission reduction loans issued

RMB **44.6** billion

Driving carbon emission reductions of more than

10 million tonnes of carbon dioxide equivalent

Case: Creating a diverse range of innovative green credit products

The Bank pursues green finance innovation to empower the green and low-carbon transition of enterprises and drive sustainable economic and social development. The Fujian Branch of the Bank has launched innovative green credit products, such as Green Power Loan, Green Certificate Loan, Transition Finance Loan, and Carbon Footprint Loan, to support enterprises in low-carbon transition and sustainable development.

Green Power Loan: The Fujian Branch has provided credit support for enterprises' green power transactions. As of the end of the first quarter of 2025, RMB50.8 million of the Green Power Loan had been granted in total.

Green Certificate Loan: In June 2024, the Fujian Branch successfully granted a working capital loan to a chemical raw material manufacturer for purchasing the green electricity.

Transition Finance Loan: In December 2024, the Fujian Branch successfully granted a credit line of RMB50 million to a cement manufacturer to support the efforts for low-carbon transition and emission reduction, and granted the first tranche of the sustainability-linked loan worth RMB1 million. This marked the first transition finance loan in Fujian's building materials industry. As of the end of the first quarter of 2025, the Fujian Branch had granted RMB30 million of transition finance loans in total.

Carbon Footprint Loan: In July 2024, the Fujian Branch successfully granted the first "Carbon Footprint" Green Loan in Fujian Province's financial system, based on carbon accounting to a manufacturing enterprise.

Forestry Transaction Loan: The Fujian Branch has provided credit support to the winning bidder of state-owned forest farm rights, using the forest right trading information on government platforms to address the problem of insufficient information and other problems facing small and micro enterprises in the forestry industry. This has effectively solved problems such as the difficulty in forest right evaluation and monetisation, and improved the efficiency and quality of customer services. As of the end of December 2024, the Fujian Branch had granted the Forestry Transaction Loan to three clients, with a total credit amount of RMB2.3 million.

Green Bond

The Bank carries out extensive exploration and innovation in the issuance, underwriting, and investment of green bonds, and actively participated in various green, low-carbon transformation and sustainability themed bond businesses. Based on the existing foundation and closely following industry development trends, the Bank has scientifically and rationally set forward-looking and targeted goals, and made every effort to promote the vigorous, healthy and sustainable high-quality growth of the green bond business.

■ Green bond targets

Green bond issuance

The Bank comprehensively evaluates regulatory policies, market demand, development needs and other actual conditions, dynamically adjusts the issuance targets of themed bonds such as green bonds and sustainable development bonds, continues to increase investment in the field of green sustainable development and make active efforts, and strives to achieve an average annual growth rate of double-digit in domestic and foreign green and sustainability bonds from 2024 to 2026.

Green bond underwriting

The Bank actively underwrites innovative bond types in ESG fields such as green bonds, carbon neutrality bonds, sustainability-linked bonds, and transition bonds. In 2025, the Bank plans to maintain growth in the scale of green bonds underwritten and issued by various issuers.

Green bond investment

The Bank adheres to the principle of market-oriented investment, actively participates in the green bond subscription of high-quality issuers, and actively inclines resources to issuers with outstanding ESG performance, striving to achieve a three-year compound growth rate of green bond holdings of more than 25% by the end of 2025.

³ According to the latest statistics definition of green loan of the General Administration Department of the People's Bank.

■ Green bond achievements

Green bond issuance

The Bank actively issues green and ESG themed bonds and increases support for green projects. As of the end of the first quarter of 2025, the Bank had accumulatively issued USD10.38 billion of overseas ESG themed bonds and RMB97 billion of domestic and foreign green bonds.

Green bond underwriting

In the first quarter of 2025, the Bank participated in the underwriting of 18 domestic and overseas green and sustainable development bonds, driving the issuance scale equivalent to RMB38.409 billion, and participated in the underwriting of "Two Renewals" green debt financing instruments such as large-scale equipment renewals and consumer goods trade-ins and "e-CNY + Green" dual-attribute medium-term notes. In the 2024 China Bond Member Business Development Quality Evaluation, the Bank won the "China Bond Green Bond Index Excellent Underwriter" and "ESG Business Outstanding Contribution Institution"; in the 2024 WIND Investment Bank Selection Series Awards, the Bank won the "Best Green Bond Underwriter".

Green bond investment

The Bank actively serves the national strategy, inclines resources to excellent issuers that contribute to the green and sustainable development of the real economy and with preferable ESG performance. Focusing on the goals of "Carbon Peak and Carbon Neutrality", the Bank has carried out special research such as *Research on the Change of Investment Concepts under the Goals of Carbon Peak and Carbon Neutrality, Suggestions on the Construction of ESG Investment System under the Background of Green Bond Market Development, Development and Exploration of Green Finance and Research on the Correlation between ESG Evaluation and Credit Qualification of RMB Credit Bond Issuers* to provide theoretical support for green investment. As of the end of the first quarter of 2025, more than 100 ESG bond investments and transactions had been carried out, and nearly 50 green bond investments and transactions had been carried out. The scale of funds invested in the ESG field had exceeded RMB500 billion, and the scale of funds invested in the green field had exceeded RMB250 billion. Green bonds account for more than 15% of the Bank's credit bond investment portfolio.

Green bond related consulting and advisory services

The Bank actively offers green consulting and advisory services to clients, providing analysis and interpretation of green bond policies for issuers. The Bank assists issuers in identifying areas of policy alignment within their development strategies and core business, and helps them select suitable green project assets that align with the designated use of proceeds. Additionally, the Bank guides enterprises in adhering to the specified utilisation of raised funds as outlined in the issuance documents. The Bank has issued and implemented the *Green Financial Advisory Business Linkage Plan with CCB Consulting*, simultaneously issued the *Green Financial Advisory Business Guidance Manual*, and actively carried out green advisory business cooperation, to enhance the comprehensive service capability of green finance. The Bank also includes the plan completion rate indicator of the "green consultant scale" in the main assessment KPI of branches. As of the end of the first quarter of 2025, a total of 23 transactions had been carried out, with a business volume of RMB14.072 billion, covering multiple fields such as green environmental protection, photovoltaics, blue economy, and green transportation.



Case: Underwriting the market's first "Two Renewals" green debt financing instruments

The Bank underwrote the market's first batch of "Two Renewals" bonds⁴, two of which were the market's first "Two Renewals" green debt financing instruments. Firstly, the Bank led the underwriting of a "Two Renewals" green medium-term note themed large-scale equipment renewal and trade-in of consumer goods for a power enterprise, with the raised funds used for the technical improvement of grid infrastructures by the issuer's subsidiary, helping improve energy transmission efficiency and grid operation efficiency. Upon completion, the project is expected to transmit and distribute 1,313.6 billion kWh of electricity annually, save 12 billion kWh of electricity, and reduce carbon dioxide emissions by 6.52 million tonnes, which will strongly promote the building of a new-type power system dominated by new energy. Secondly, the Bank co-underwrote a green medium-term note for an oil and gas group, with the raised funds used for the second-phase project of its gas storage and the expansion project of ground facilities. By replacing coal with natural gas, with the same amount of power generated, the project is expected to save 50,600 tonnes of standard coal, reduce emissions of 240,700 tonnes of carbon dioxide, 120.92 tonnes of sulphur dioxide, and 118.59 tonnes of NO_x on an annual basis.

Case: Underwriting China's first "Two Renewals" green debt financing instrument for large-scale equipment renewal and trade-in of consumer goods

In January 2025, the Bank underwrote China's first "Two Renewals" green debt financing instrument dedicated to the sectors of the Large-scale Equipment Renewal and Trade-in of Consumer Goods. Proceeds from the issuance were allocated to the manufacturing of high-efficiency, energy-saving household appliances, including products covered by the issuer's "trade-in" series activities. It was estimated that each high-efficiency and energy-saving air conditioner could reduce carbon dioxide emissions by approximately 48.44 kilograms and saved 26.16 kilograms of standard coal annually through enhanced energy performance. The project delivered positive environmental and social benefits.

Case: Underwriting a dual-labelled "e-CNY + Green" medium-term note

In March 2025, the Bank underwrote a green medium-term note for a state-owned power enterprise. This bond was distinguished by the dual attributes of "e-CNY + Green", marking an innovative use of e-CNY for the collection of issuance proceeds. It further expanded application scenarios for e-CNY, serving as a practical example of integrating digitalisation, green transition and finance in alignment with policies. It actively responded to the *Guiding Opinions of the General Office of the State Council on Advancing the "Five Priorities" of the Financial Sector*, realising the deep integration of e-CNY and green finance.

Case: Investing in innovative bonds to enrich the green finance product system in the bond market

The Bank has supported the issuance of China's first "Two Renewals" green sci-tech innovation bond for large-scale equipment renewal and trade-in of consumer goods by subscribing to RMB80 million of bonds issued by an energy enterprise. The proceeds will be used to finance green energy projects such as offshore wind power generation and new-type energy storage projects, contributing to original innovation and the commercialisation of technological achievements. It is estimated that the projects can reduce carbon dioxide equivalent (CO₂e) emissions by approximately 3.69 million tonnes annually. The Bank has also subscribed to a "Two Renewals" green bond for large-scale equipment renewal and trade-in of consumer goods issued by a household appliance manufacturer, with proceeds allocated to production of high-efficiency, energy-saving household appliances. The project features efficient technologies, low-noise designs, environmentally friendly materials, and extended product lifespans, effectively reducing energy consumption, environmental pollution, and resource waste.

⁴ The "Two Renewals" bonds are special innovative debt financing tools launched by the People's Bank of China and the China Association of Interbank Market Dealers to implement the State Council's Action Programme to Promote Large-scale Equipment Renewal and Trade-in of Consumer Goods.

Other Green Finance Businesses

Green funds

CCB Principal Asset Management further joins the United Nations Principles for Responsible Investment (UN PRI), continues to deepen ESG integration, and systematically promotes green finance-related product development. In the process of design of new products, ESG principles are deeply integrated into the investment strategy framework, the domestic and overseas ESG policy environment and product layout are systematically sorted out, and the report titled *ESG Development and Product Planning* is researched and formed to provide support for business decision-making. As of the end of the first quarter of 2025, CCB Principal Asset Management had successfully issued six ESG-themed fund products, covering multiple fields such as social responsibility, environmental protection, and new energy, with a total product size of RMB3.7 billion.

The first UCITS fund co-launched by CCB Principal Asset Management and the U.S.-based Principal Financial Group was approved by the Irish regulator and officially issued in May 2023. Strictly complying with the *Sustainable Finance Disclosure Regulation* (SFDR) of EU, the product has obtained Article 8 certification, and is currently available via private banking and retail banking channels in regions such as Europe and Asia. As of the end of the first quarter of 2025, the product had \$17.53 million under management and a cumulative excess return of 22.1% since inception.

Green custody

The scale of the green custody products of the Bank continues to expand, covering several major investment varieties on the market. As of the end of the first quarter of 2025, the Bank had a total of 207 green custody products, and the assets under custody of the Bank had reached RMB186.899 billion, covering publicly offered funds, trusts, wealth management products, private equity funds, asset management plans and other varieties of products.

Green leasing

In active response to the national green development strategy, CCB Financial Leasing continuously increases investment in green energy projects related to wind power, PV power, hydropower, and clean utilisation of traditional energy. In the first quarter of 2025, the new green leasing investment amounted to RMB3,327 million, accounting for 65% of the investment in general leasing business, an increase of 25 percentage points compared with the same period last year. As of the end of the first quarter of 2025, the balance of green leasing assets had reached RMB43.929 billion, accounting for 62% of the balance of general business, an improvement of 2 percentage points from the beginning of the year. CCB Shipping and Aviation Financial Leasing Co., Ltd., CCB Financial Leasing's wholly-owned subsidiary, collaborated with the Hong Kong Branch of Standard Chartered Bank on a financing project, which was the first green transformation financing in China's financial leasing industry using ship mortgage as the underlying, won the "Best Sustainable Finance Project - China Offshore" from the *Finance Asia*.

Case: Green leasing services contribute to environmental protection

CCB Financial Leasing thoroughly implemented the concept of green development, and further stepped up support for areas related to clean energy. CCB Financial Leasing kept expanding the household distributed PV business among central enterprises, local state-owned enterprises, and leading private manufacturers. In 2024, CCB Financial Leasing invested RMB1.053 billion in the household PV area, supporting the construction of 518.36 MW distributed PV projects, and reducing emissions of 516,800 tonnes of carbon dioxide.

Green insurance

CCB P&C Insurance continuously introduces new green insurance products and service models, achieving the rapid growth of green insurance business. Meanwhile, CCB P&C Insurance makes vigorous efforts in the research on ESG funds, insurance asset management products, etc., paving the way for deepening the innovation of green insurance business. As of the end of the first quarter of 2025, CCB P&C Insurance's green insurance business had recorded an insured amount of RMB13,300 million, a year-on-year increase of 96%. CCB P&C Insurance's green insurance business covers three major fields, namely ESG risk insurance, green industry insurance, and green life insurance, among which green industry insurance plays a dominant role, achieving the provision of risk coverage of RMB11,000 million (83%), green life insurance coverage of RMB2,300 million (17%), and ESG risk insurance coverage of RMB50 million (0.3%) in the first quarter of 2025.

Green futures

CCB Futures remains committed to serving the real economy. Centring on green futures business, CCB Futures deeply explores the key demands of clients in green industries, and enhances services for the industry chains of green varieties. Meanwhile, CCB Futures flexibly uses futures derivative tools to develop non-listed futures varieties, and launches innovative weather index products, to further enrich green finance services and products.

As of the end of the first quarter of 2025



Green Consulting

Focusing on the goals of "Carbon Peak and Carbon Neutrality", CCB Consulting drives the innovative development of green consulting business. By refining the layout of green consulting business, CCB Consulting mainly carries out planning and offers consulting services for green industry projects, deeply taps into the demands for energy conservation and emission reduction in the process of industrial upgrading, cost reduction and efficiency improvement, and provides customised financing plans and whole-process financial advisory support for large-scale green infrastructure construction projects. Meanwhile, CCB Consulting strengthens the research on green finance industry standards, and continuously enhances the professional service capabilities and market influence. In the first quarter of 2025, RMB42.04 million in green business contracts were signed, up 22% year-on-year.

Green investment

CCB Private Equity continues to strengthen equity investment in green industries, further expanding the presence in the green industries of strategic significance through a model of "direct investment + external managed fund investment". In terms of direct investment, CCB Private Equity focuses on critical technology fields such as energy storage and lithium batteries. As of the end of the first quarter of 2025, the green finance projects had directly invested with managed funds amounted to RMB1.575 billion. Through the comprehensive financial service model of "equity-debt combination" launched in collaboration with the Head Office and branches, CCB Private Equity strongly supported the development of green industries. In terms of investing in externally managed sub-funds, CCB Private Equity actively invests in high-quality external sub-funds through the strategic emerging industries investment fund to further expand investment in green industries. As of the end of the first quarter of 2025, among the externally managed sub-funds invested with the strategic emerging industries investment fund, the number of investment projects in green fields was 143, an increase of 7 from the beginning of the year, covering multiple green industries such as new energy, new energy vehicles, new materials, and energy conservation and environmental protection.

CCB Principal Asset Management consistently advances green investment. As of the end of the first quarter of 2025, the cumulative investment in clean energy, energy conservation and environmental protection, clean production, green upgrading of infrastructures, ecological environment and green services made through equity investment had reached RMB25.604 billion. Meanwhile, based on the ESG research framework, CCB Principal Asset Management has actively subscribed for regulator-approved green bonds. As of the end of the first quarter of 2025, the cumulative investment in green corporate bonds, green medium-term notes, green enterprise bonds, green financial bonds, green asset-backed securities, and green exchangeable bonds had made through bond investment amounted to RMB4.67 billion.

■ Green pension

CCB Pension actively practises the concept of green development, continuously enhances the scale of green finance business, increases financial support for key sectors, driving the high-quality development of green industries. As of the end of the first quarter of 2025, the balance of CCB Pension's green business was 4.48% higher than at the beginning of the year, totalling RMB5,843 million.

■ Green housing

CCB Housing Rental clearly defines green requirements in project design, renovation and transformation, operation and management, and prioritises the use of green and low-carbon building materials, green home appliances, and renewable energy systems, to create a safe, healthy, and comfortable living environment. 15 of the invested projects are national-standard or provincial-standard green buildings, accounting for 65% of the total number of projects. CCB Housing Rental has formulated the *ESG Action Plan of CCB Housing Rental Private Fund Management Co., Ltd.* to integrate ESG concepts into the strategic development, operation management, and corporate culture, actively meet the needs of new urban citizens and young people for "a place to live", and strike a balance between economic and social benefits.

CCB Housing meets the trend of green and low-carbon development, and actively implements the new development concept. Through project practice and experience summary, based on the advancements of green and environmental protection technology in the construction industry, CCB Housing Rental continuously explores the standards for green and low-carbon leasing, completes the *Guidelines for the Green Leasing of Long-Term Rental Apartments*, and steadily pushes forward the green and low-carbon leasing.

■ Green consumption

CCB Consumer Finance actively promotes the development of green consumption through innovative financial products and service models. CCB Consumer Finance has successfully established and operated a green consumption themed section in the instalment payment mall, providing consumers with online loans to purchase green products to meet consumer needs for green credit. CCB Consumer Finance loan business has been officially connected to the personal carbon account system, enriching personal carbon emission reduction data and helping improve the "carbon account" financial services. As of the end of the first quarter of 2025, a total of 31,400 emission reduction clients had been served, achieving a carbon reduction of 3.77 tonnes. In cooperation with a home appliance group, CCB Consumer Finance has set up a new energy charging section in the instalment payment mall of the App, providing clients with loans to purchase charging piles, and easing clients' financial pressure through merchant interest subsidies to facilitate green consumption.

■ Green wealth management

CCB Wealth Management further promotes green asset allocation. As of the end of the first quarter of 2025, the total balance of CCB Wealth Management's green assets was RMB22.058 billion, with 13 green-related wealth management products in existence, totalling RMB10.68 billion. Among them, one ESG products remained in existence with a balance of RMB2.759 billion.

As of the end of the first quarter of 2025

The total balance of CCB Wealth Management's green assets	Green-related wealth management products in existence	Total amount
RMB 22.058 billion	13	RMB 10.68 billion
	Among them, ESG products remained in existence	Balance
	1	RMB 2.759 billion



Financing Environmental Impact

The Bank continues to deepen the construction of the ESG risk management system, clarify the ESG risk management responsibilities of the Board of Directors, the Board of Supervisors and the Management, conduct in-depth research on the impact of ESG elements on credit, market, liquidity, reputation, operation and compliance risks, promote the inclusion of environmental, climate and biodiversity risks as well as information technology and other ESG-related risks into the Group's risk appetite, and strengthen the management of ESG risks in the comprehensive risk management system. The Bank reviews the ESG risk-related management system, updates and revises the key industry credit policy in light of the actual business, promotes the implementation of ESG due diligence in the investment and financing business process, incorporates more ESG-related factors into product design and pricing, promotes the integration of business development and ESG risk management, and better serves the green and low-carbon transformation of economic and social development.

ESG Risk Management System

■ Regulatory policies

The Bank continuously strengthens the construction of ESG risk management system and follows the *Guidelines for Comprehensive Risk Management of Banking Financial Institutions* and the *Guidelines on Green Finance for the Banking and Insurance Sectors* to formulate and implement the *Measures on Environmental, Social and Governance Risk Management for Investment and Financing Businesses* (hereinafter referred to as the "ESG Risk Management Measures"), which strongly guides and standardises the ESG risk management of the Bank.

As the top-level management policy for the ESG risk management system of the Bank, the *ESG Risk Management Measures* covers the Group's corporate credit business, retail credit business⁵, financial market business, financial institutional business, investment banking business, etc., with clear specifications on the basic principles, organisational structure, risk identification and classification, investment and financing business process management, management tools, regulatory mechanisms and information disclosure. The Bank further refines the ESG risk management requirements for investment and financing clients, issues the *Notice on Strengthening Client Environmental, Social and Governance Risk Management*, clarifies the client ESG risk classification management requirements across the Bank, strengthens ESG risk management throughout the entire business process, strengthens supervision and inspection and problem rectification, and promotes the improvement of the Bank's ESG risk management professional level.

■ Management structure

The Board and its special committees

The Board takes the ultimate responsibility for ESG risk management, promotes the formulation of ESG-related policies and goals, and supervises and evaluates the implementation. The Risk Management Committee of the Board of Directors is responsible for supervising and guiding the management of ESG-related risks, including climate risks and opportunities, regularly studying the key points of ESG risk management and the implementation, and promoting the in-depth integration of ESG factors into the comprehensive risk management system. The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors is responsible for guiding the orderly implementation of ESG management work.

⁵ Refers to personal business loan.

Risk Management Committee of the Board of Directors

The Risk Management Committee of the Board of Directors of the Bank is responsible for overseeing and guiding ESG-related risk management, including climate risks and opportunities. The committee regularly receives thematic reports on the analysis of environmental and climate-related risks and opportunities and the quantification of risks of ESG-related elements, studies the impact of change and countermeasures, promotes the in-depth integration of ESG elements into the comprehensive risk management system, facilitates the organic integration of ESG elements and the credit rating system of clients, continuously improves the stress test of climate-related risks, and guides the optimisation of the credit policy of the industry.

In the first half of 2025, the Risk Management Committee of the Board of Directors of the Bank held a total of 4 committee meetings, reviewed and approved the 2025 Risk Appetite Statement, integrated environmental, climate and biodiversity risks into the Group's risk appetite, promoted the improvement of the ESG risk management system for investment and financing business, facilitated the integration of ESG risk control requirements into the entire process of investment and financing business, continued to increase the proportion of green loans, accelerated the exploration of transformation of financial business development, and actively contributed to biodiversity conservation. The committee also listened to and discussed the *Report on the Quantification of ESG-related Risks in 2024*, studied the ESG rating indicator system for corporate clients, model building and the operation situation after implementation, guided and drove the application of ESG rating results in credit ratings, ESG risk classification management, ESG stock index building and ESG-related product innovation, etc.

Related Party Transaction, Social Responsibility, and Consumer Protection Committee of the Board of Directors

The Related Party Transaction, Social Responsibility, and Consumer Protection Committee of the Board of Directors of the Bank is responsible for formulating Bank's ESG overall planning (covering climate risks and opportunities) and supervising green finance and other business strategies. In the first half of 2025, the committee listened to the report on the implementation of the *Environmental, Social and Governance Work Plan (2023-2025)*, discussed the progress of green finance, paid attention to the quality and effectiveness of environmental and climate risk management, and recommended paying close attention to regulatory developments, accelerating the establishment of a greenhouse gas scope 3 emissions data accounting system, and continuously optimising information disclosure to further consolidate the foundation for sustainability.

Board of Supervisors

The Board of Supervisors of the Bank closely monitors the establishment and operation of the ESG governance system, integrates ESG management, corporate governance, green finance, consumer protection and other elements and matters into the scope of supervision, supervises and evaluates the ESG performance of the Board of Directors and the Management. The Board of Supervisors follows up on the implementation of ESG strategy, organises special research on ESG management implementation, and supervises and guides from the aspects of strengthening top-level design, enhancing management foundation, and promoting capacity building. In 2024, the Performance and Due Diligence Supervision Committee of the Board of Supervisors listened to the report on the implementation of the *Environmental, Social and Governance Work Plan (2023-2025)*, and suggested that the implementation work in the next stage should be steadily carried out, and on the basis of overall promotion, the work at the social and governance levels should be further strengthened.

Senior Management

The Senior Management of the Bank is responsible for overseeing and guiding the ESG risk management work in investment and financing business, promoting and implementing specific ESG management work, comprehensively improving the Group's ESG management. The main responsibilities include:

- Formulating and implementing environmental and climate-related policies and reviewing ESG risk management systems in various business areas and business links;
- Implementing the day-to-day ESG risk management and dealing with major risk issues and reporting to the Board in a timely manner in accordance with regulatory requirements and management needs;
- Strengthening ESG risk management supervision and assessment and urging branches to perform ESG risk management duties.

The Management of the Bank sets up the ESG Promotion Committee and the Green Finance Committee (for the committee composition, please refer to "Corporate Governance – ESG Governance Structure"), chaired by the President, to regularly listen to the work progress report on the Bank's ESG risk management system, studying and deploying tasks related to green finance and ESG risks in investment and financing.

- In November 2024, the Green Finance Committee held a meeting presided over by the Vice President responsible for risk management. In the meeting, the management was briefed on the progress of green finance by the Credit Management Department, the General Office, the Corporate Banking Department, and Investment Banking Department, to focus on issues related to green finance and ESG risk management. The meeting called for strengthening customer and project selection, optimising the green credit structure, and securing the asset quality of green credits; and emphasised improving the accuracy of green loan identification, enhancing data quality, and guarding against "greenwashing" risks.
- In December 2024, the ESG Promotion Committee held a meeting presided over by the Vice President responsible for risk management. In the meeting, the management was briefed on the overall progress of ESG work in 2024, approved the *Implementation Status and Key Issues of the Environmental, Social and Governance Work Plan (2023-2025)*, analysed the latest regulatory requirements for ESG information disclosure, and deployed the key tasks in the next steps. The management required strengthening communication with relevant institutions such as regulators, banks, consulting agencies and external auditors on weak contents such as climate-related risks and Scope 3 GHG emissions accounting, exploring the development of carbon accounting methodology, and a statistical and analytical framework that are in line with the Bank's actual situation that are identifiable, trackable and measurable.

The President of the Bank and other senior management members manage ESG risks in a timely and effective manner through the Executive Meetings, work sign-offs and other daily reporting mechanisms.

- The President, the Vice President responsible for risk management and the Chief Risk Officer review the *Report on Environmental and Climate Risk Management* annually.
- The President chairs the meeting and approves the *Measures on Environmental, Social and Governance Risk Management for Investment and Financing Businesses* and supervises its implementation across the Bank with the Vice President responsible for risk management and the Chief Risk Officer.
- The President, the Vice President responsible for risk management and the Chief Risk Officer oversee the development of ESG rating tool for corporate customers, promote the use of rating results in actual work, and guide the integration of ESG factors into customer credit ratings by professional departments.

Professional departments

The Bank has identified the leading department for ESG risk management in investment and financing businesses (Credit Management Department of the Head Office), and builds a "three lines of defences" system for ESG risk management at the professional department level, ensuring timely and effective mitigation strategies for ESG risks in investment and financing businesses. The Bank strengthens information sharing and coordination, improves the quality and effectiveness of ESG risk management implementation, implements strict joint prevention and control to prevent cross-contamination of risks, and continuously improve and optimise the ESG risk management mechanism in light of internal and external environments and business development needs.

- The first line of defence. The client management departments and investment and financing business departments: Responsible for implementing or urging branches and sub-branches to implement ESG risk management policies, processes and work requirements.
- The second line of defence. The risk management departments and internal control and compliance departments: The risk management departments are responsible for standardising, assessing, overseeing and reporting the ESG risk management activities of business departments. The internal control and compliance department is responsible for supervising each business department's compliance with laws, regulations, regulatory requirements and internal rules and regulations.
- The third line of defence. The audit departments: Responsible for reconducting supervisions on ESG risk management, control and oversight systems.

Credit Policies for Key Industries

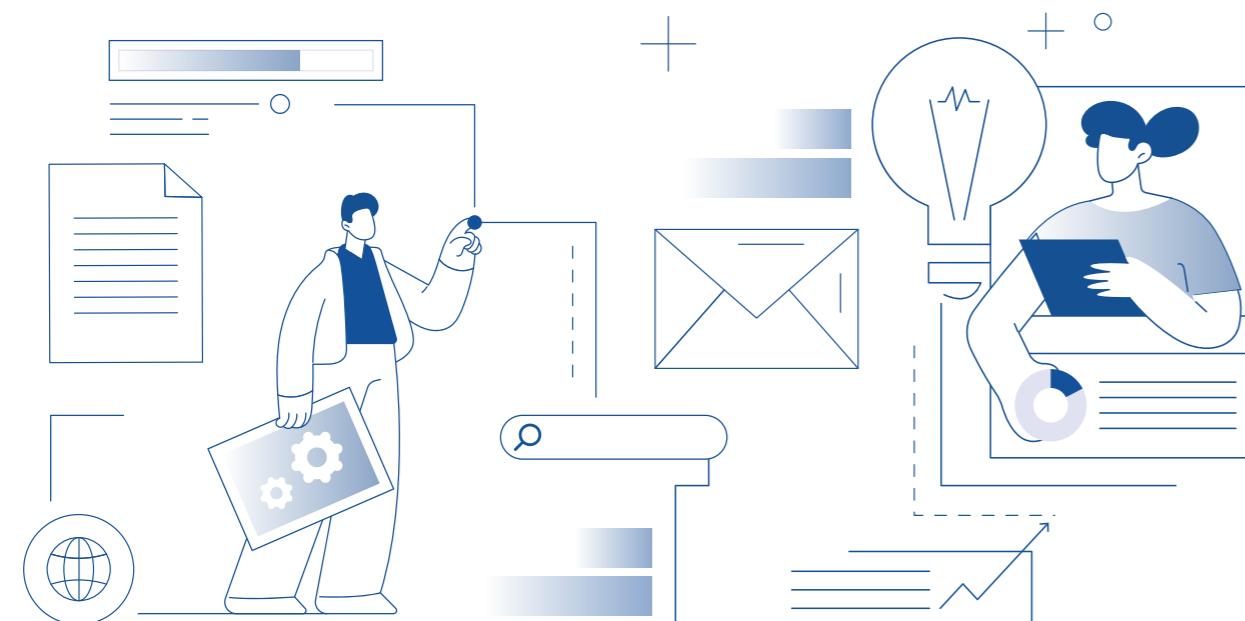
The Bank pays high attention to the ESG risks of clients and projects in various industries and formulates differentiated credit policies based on the attributes and business characteristics of different industries and in accordance with industry technical standards. The Bank specifies industry-wide technical indicators in the client and project access standards, and puts forward relevant requirements such as risk identification and prevention, and credit management strategies. Industry credit policies are strictly binding on credit business. The Bank has successfully issued credit policies for 79 industries, covering key industries such as agriculture, forestry, electricity, steel, mining, petrochemical, transportation, materials, and construction.

The Bank closely monitors industry development trends and regulatory policy orientations, and regularly updates and reviews credit policies for key industries. During the review process, the Bank dynamically evaluates ESG risk factors in key industries based on business development and industry trends, reasonably sets industry ESG risk management thresholds, ensures the binding, applicability and feasibility of credit policy norms, and implements scientific and orderly management of ESG risks.

Credit Policies for Key Industries

Agriculture and forestry

The Bank actively supports the green development of agriculture and forestry. In accordance with the “14th Five-Year Plan” for National Green Development of Agriculture, the Outline of “14th Five-Year Plan” for Forestry and Grassland Protection and Development, and other policy documents, the Bank formulated the *Credit Policy for Agricultural Industry* and the *Credit Policy for Forestry, Animal Husbandry and Fishery Industry*. The Bank emphasises compliance, environmental protection, quality and safety, climate and biological disaster risk resilience in the selection criteria for agricultural and forestry clients, and implements the “one-vote veto” for environmental and climate-related risks, and rejecting credit access to clients and projects with significant environmental and climate-related risks. The Bank clearly defines energy-saving and environmental protection requirements, requiring agricultural clients to fully apply low-toxic or slightly toxic pesticides, and the average per-acre application of pesticides and fertilisers in the past three years needs to have been optimised or stable. It is prohibited to be engaged in clients and projects involving illegal introduction and release of invasive alien species such as crop and forest grass seeds and seedlings. It is clearly stipulated that relevant clients with high pollution and high energy consumption shall not be involved, including: high-water-consuming crop planting enterprises located in areas with severe water overload, enterprises that do not meet environmental protection standards and do not have the ability to reduce pollution and carbon emissions, and enterprises notified by regulatory authorities for excessive pesticide residues and improper application of fertilisers. The Bank makes agriculture a priority support industry, actively supports agricultural business entities to carry out emission reduction and carbon sequestration, integrated use of resources and construction of efficient water-saving farmland drainage and irrigation facilities, increases credit investment for green transformation and upgrading and energy-saving clients such as saving fertilisers, medicines, water and land, etc. The Bank makes forestry a priority industry, actively contributes to ecological protection and restoration, enhances forest reserves, and strengthens the capacity of carbon sinks.



Key focus of credit review include: negative impacts of agriculture on natural habitats/protected areas, soil erosion or degradation, fertiliser and pesticide pollution, impacts of crop types on local biodiversity, excessive consumption or pollution of water sources, and other factors. Agricultural and forestry production faces climate risks such as floods, droughts, severe cold, and typhoons, as well as biological disaster risks such as pests, diseases, and weeds.

Power industry

The Bank co-ordinates energy supply guarantee and energy transition, focuses on the safe and reliable supply of renewable energy and the steady and orderly replacement of conventional energy, and increases financial support for energy system construction. In accordance with the *Several Opinions on Promoting the Healthy Development of the Power Generation of Non-Hydraulic Renewable Energy*, the “14th Five-Year” Development Plan for Modern Energy System, the “14th Five-Year” Development Plan for Renewable Energy, the Catalogue for Guiding Industry Restructuring (2024 Version), the Notice on the Release of the Benchmark Level and Benchmark Level in Key Areas of Clean and Efficient Coal Utilisation (2022 Version), the Guidance of the National Development and Reform Commission and Other Departments on Vigorously Implementing Renewable Energy Substitution Action, the Action Plan for Accelerating the Establishment of a New Power System (2024-2027), and the Action Plan for the Low-Carbon Transformation and Construction of Coal-fired Power (2024-2027) , the Bank has formulated the *Credit Policy for Wind Power Generation Industry*, *Credit Policy for Photovoltaic Power Generation Industry* and *Credit Policy for Thermal Power Generation Industry*, etc. The Bank pays attention to and actively identifies ESG risks involved in projects in the power industry, assesses the importance of relevant risks and their impact on credit risk. The Bank specifies requirements on pollutant emissions and coal consumption in the selection criteria for thermal power projects, resolutely withdraws from backward coal-fired power units with a capacity below 300,000 kilowatts that have been eliminated by national regulations, resolutely draws from backward production capacity projects that have been eliminated by national regulations, supports the “three reforms” (energy-saving and carbon-reducing reform, heat supply reform, and flexibility reform) of coal power enterprises, supports the promotion of low-carbon coal-fired power technology transformation and application such as zero-carbon or low-carbon fuel blending, carbon capture, utilisation and storage of coal-fired power units according to local conditions, and does not intervene in illegal coal-fired power construction projects.

Key focus of credit review include: consideration of high carbon emissions from the combustion of fossil fuels and exhaust emissions should be in line with the energy efficiency levels specified by national regulation, with a high degree of attention paid to environmental protection and compliance risks, and concerns that the construction of hydroelectric power generation should satisfy factors such as green and harmonious development, low environmental impact, and proper resettlement of relocated residents.

Mining industry

The Bank pays close attention to and actively identifies ESG risks involved in projects related to the mining industry. In accordance with the *Opinions of the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council on Further Strengthening Mine Safety*, the *Guiding Opinions on Energy Work in 2025* and other policy documents, the Bank has formulated the *Credit Policy for the Coal Industry*, assessing the level of significance of risks such as corporate and project compliance, safe production, and energy transformation, and the degree of impact on credit risk. The Bank supports green, clean and smart mining, takes production safety, environmental protection and clean and efficient resource utilisation as the access criteria for client and project selection, and focuses on supporting the supply of scarce and strategic new types of minerals that are in line with green mines, conservation and efficiency, and environmental friendliness. The Bank implements a “one-vote veto” for environmental and climate-related risks, denies credit access to clients and projects with significant environmental and climate-related risks, and resolutely compresses and withdraws non-compliant production capacity, backward production capacity, and enterprises that fail to meet environmental protection and production safety standards that are not in line with the national industrial policy. The Bank does not support coal mine projects with major safety hazards such as coal and gas outbursts, spontaneous combustion and fire, impact ground pressure, and water hazards. It is prohibited to be involved in coal mines with prominent safety hazards, depleted resources, and those that do not meet the standards of the “three lines and one list” (ecological protection red line, environmental quality bottom line, resource utilisation upper limits, and ecological environment access list), as well as projects that do not meet environmental protection standards, have backward production capacity, and illegally increase production capacity.

Key focus of credit review include: consideration of coal mining whether the safe and green mining technology, environmental protection standards, new capacity in accordance with the law, does not belong to the backward production capacity, no production safety hazards and other factors.

Petrochemical industry

The Bank pays close attention to and actively identifies ESG risks involved in projects related to the petrochemical industry. In accordance with the *Catalogue for Guiding Industry Restructuring (2024 Version)*, the *Energy Efficiency Benchmarks and Baselines in Key Industrial Sectors (2023 Version)*, the *Work Plan for Ensuring the Stable Growth of the Petrochemical and Chemical Industry*, the *Special Action Plan for Energy Saving and Carbon Reduction in the Refining Industry* and other policy documents, the Bank formulated the *Credit Policy for Petroleum Refining Industry*, the *Credit Policy for Petrochemical Industry*, to assess the significance level of relevant risks and the degree of impact on credit risk. The Bank supports the green safety, low-carbon circular development of the petrochemical industry, takes safe production, clean production, energy efficiency level, emission level, and capacity utilisation level, as the admission criteria for client and project selection, and selectively supports energy-saving and carbon-reducing renovation and upgrading, equipment upgrading and reconstruction, product upgrading, upstream and downstream integration and development and optimisation of the layout of production capacity of high-quality enterprises in the petrochemical and chemical industries, as well as the projects with a leading energy-efficiency level in the four petrochemical industry clusters and the green industrial parks. On the premise of compliance with the law, the Bank takes caution in engaging in new capacity projects in the oil refining, calcium carbide, ammonium phosphate and yellow phosphorus industries, as well as new delayed coking capacity projects. The Bank pays close attention to the impact of enterprise production and project construction on energy consumption, carbon emissions, ecological environment and biodiversity, etc., and implements a “one-vote veto” on environmental and climate-related risks, prohibits credit access to clients and projects with significant environmental and climate-related risks. The Bank optimises the layout of petrochemical projects, does not intervene in new production capacity projects in key areas for air pollution prevention and control, resolutely withdraws from projects that do not comply with national industrial planning “three lines and one list”, capacity replacement, coal consumption reduction, substitution and reduction, as well as from enterprises that do not meet the requirements for green and low-carbon development, and that have high environmental and climate-related risks. The Bank compresses and withdraws enterprises and projects with potential safety hazards, backward production capacity and overcapacity projects, as well as projects with energy efficiency levels that do not meet the standards and cannot be renovated or upgraded on schedule.

Key focus of credit review include: consideration on the adoption of technologies such as fully enclosed and automated production in the oil refining process, the project's location in a chemical park, the completion of land use, environmental assessment and other permits, and the compliance of energy efficiency, carbon emission intensity and clean production with national regulatory requirements. Attention is paid to the requirements for safe production of enterprises, and the timely withdrawal of projects with potential safety hazards. The Bank also conducts continuous tracking of enterprises' sewage discharge and environmental information, and review of ecological and environmental protection measures, as well as the impact on environmental diversity, etc.

Iron and steel industry

The Bank supports the green development and transformation and upgrading of the iron and steel industry. In accordance with the *Guiding Opinions on Promoting the High Quality Development of the Iron and Steel Industry*, the *Catalogue for Guiding Industry Restructuring (2024 Version)*, the *Benchmarking and Basis Levels of Energy Efficiency in Key Industrial Sectors (2023 Version)* and other policy documents, the Bank formulated the *Credit Policy for the Iron and Steel Industry*, which incorporates energy consumption, pollutant emissions and other requirements into the admission criteria for clients and project selection. The Bank pays close attention to the impact of project construction on the dual-control of total energy consumption and intensity, carbon emissions, ecological environment and biodiversity, and does not support clients with backward production capacity, safety and environmental protection that do not meet standards and have no hope of rectification. The Bank implements the “one-vote veto” on environmental and climate-related risks, prohibits credit access to clients and projects with significant environmental and climate-related risks, resolutely withdraws from projects that do not comply with national industrial planning and environmental protection policies and enterprises that fail to meet environmental protection and production safety standards.

Biodiversity conservation

The Bank pays close attention to the implementation of ecological environment and biodiversity protection in investment and financing business activities, and prudently evaluates the impacts of clients or projects on ecosystems in the credit granting process. The Bank strictly follows the laws, regulations and rules on the protection of biodiversity, and strictly abides by the requirements of ecological protection red line, environmental quality bottom line, resource utilisation upper limits and ecological environment access list. The Bank sponsored the signing of the *Common Action Programme for Banking Financial Institutions to Support Biodiversity Conservation*, implements the Ministry of Ecology and Environment's *China's Biodiversity Conservation Strategy and Action Plan (2023-2030)*, does not support projects, behaviours, operations that seriously harm biodiversity, prohibits involvement in projects that damage ecological protection areas, prohibited construction areas and ecological habitats, and does not involve in projects that have an effect of deforestation and the ruining of grasslands, destruction of wild animal and plant resources, destruction of marine ecological environment, illegal fishing and poaching, and actively contributes to enhancing the diversity, stability and sustainability of the ecosystem.

In the annual credit policy, the Bank clearly requires helping biodiversity conservation, actively support the integrated protection and restoration projects of mountains, rivers, forests, farmlands, lakes, grasslands and deserts, and major ecological projects. Focusing on the overall planning layout of major projects for ecosystem protection and restoration of the “Three Regions and Four Belts”, the Bank serves the construction of the national ecological security barrier system, and actively supports the “Three Norths” project, the Yangtze River Economic Zone, the ecological protection of the Yellow River Basin, the comprehensive prevention and control of desertification, the restoration of rivers, lakes and wetlands, and the shoreline regulation and restoration. The Bank's credit policies for steel, oil refining, wind power and photovoltaic power generation industries clearly require strengthening the awareness of ecological protection, strictly comply with the requirements of the red line of ecological protection, the bottom line of environmental quality, the upper limit of resource utilisation and the ecological environment access list, and closely follow up the impacts of the construction of the projects on the ecological environment and biodiversity.

Policy review, approval, and implementation guidance

The Bank continues to strengthen credit policy review, approval and guidance across various sectors by issuing review and approval guidelines, industry research reports, and project assessment manuals. These efforts aim to promote unified credit granting standards across the Bank. ESG risks are incorporated as key considerations in the formulation of industry-specific review and approval strategies. Some examples of review and approval guidelines for key industries are listed below:

- In the review and approval guidelines for high-standard agricultural farmland, explicit emphasis is placed on environmental protection risks. The guidelines note that crop production is subject to stringent food safety and environmental protection requirements, including strict standards on the types and quantities of pesticides and fertilisers applied to different crops. Excessive use may result in significant soil and water pollution. It is further recommended that areas such as strictly controlled arable land, core zones of nature reserves, areas under reforestation and grassland restoration programmes, and surface waters including rivers, lakes, and reservoirs as well as their designated protection zones be designated as prohibited zones for project development.
- In the review and approval guidelines for the coal-fired power generation industry, the Bank clearly advocates for the active support of clean and efficient coal-fired power utilisation. These guidelines encourage a coordinated approach to the energy-saving and carbon reduction retrofitting of existing coal-fired power units, as well as the flexibility modification and heating system upgrades.
- In the review and approval guidelines for the photovoltaic industry, the Bank highlights that photovoltaic projects require substantial land area, and their construction may impact the ecological environment and biodiversity. The guidelines emphasise that (1) ecological protection awareness must be strengthened, and the red line of ecological protection must be maintained. A thorough verification of project land use, electric transmission lines, and booster stations is required to ensure they do not involve ecological protection zones or prohibited construction areas. Projects with such issues are strictly prohibited from approval. Additionally, for existing projects, timely checks on land and environmental permits must be conducted to prevent suspension, demolition, or disconnection from the grid due to ecological concerns, thereby safeguarding credit asset security; (2) Particular scrutiny should be applied to photovoltaic power generation projects and associated electric transmission lines and booster stations regarding their occupation of basic cropland and forest land. Special attention must be given to whether projects occupy basic grasslands; if so, the applicant institution must confirm whether the project owner has signed compensation agreements for grassland requisition with relevant authorities, collectives, and individuals, and whether these parties consent to the grassland expropriation and occupation.
- In the review and approval guidelines for the textile industry, the Bank clearly requires attention to environmental protection risks. It is specified in the section of key review areas that a strict “one-vote veto” policy on environmental protection shall be enforced for textile dyeing and printing enterprises. All such enterprises must provide valid discharge permits issued by local environmental authorities, with annual inspections confirming compliance. A comprehensive investigation shall be conducted on the production facilities, technological processes, main products of textile enterprises, and the discharge of dyeing and printing enterprises. The Bank refrains from engaging with enterprises involved in environmental violations that cannot be rectified. For enterprises repeatedly penalised for environmental breaches, the credit granting strategy will be promptly re-evaluated.
- In the review and approval guidelines for the biopharmaceutical industry, the Bank explicitly requires attention to environmental and social risks, with a particular focus on the compliant disposal and management of wastewater, exhaust gases, solid waste, biologically active or toxic by-products and intermediates generated during pharmaceutical manufacturing processes. Clients should hold valid *Manufacturing Licenses for Medicinal Products* and GMP certification for their production lines, meet environmental protection standards, have had no major quality incidents and no product recalls in the past three years, and have no non-compliance findings or penalties during routine unannounced regulatory inspections.
- In the review and approval guidelines for lithium-ion battery anode material manufacturing, “one-vote veto” policy on environmental protection is established. For clients triggering the following conditions, a credit shrinking and withdrawal strategy must be implemented: for environmental non-compliance, the enterprise fails to meet the emission standards for various pollutants, including noise, wastewater, exhaust gases, and solid waste, as specified in the *Emission Standard of Pollutants for Battery Industry (GB30484)*; for technical non-compliance, the specific capacity and production energy consumption of the lithium-ion battery anode materials do not meet the standards set out in the *Lithium-Ion Battery Industry Norms (2024 Version)*; for other significant risks, the enterprise or its actual controller faces major reputational risks, such as non-performing loans, financial fraud, involvement in organised crime, etc.

Due Diligence Process

The Bank pays close attention to the impact of ESG risk factors on overall credit risk in investment and financing business activities, continuously strengthens the identification, assessment, monitoring and prevention of ESG risk in investment and financing business activities, clarifies the working mechanism of ESG due diligence and ESG risk classification, and formulates mitigation measures in conjunction with ESG risk assessment. ESG risk management is embedded in the whole process of credit investigation, assessment, approval, lending and inspection, comprehensively covering the key links of pre-loan, in-loan and post-loan management, and promoting the application of ESG risk classification results in the work of client access, credit rating, credit approval and credit asset risk classification, so as to promote the virtuous cycle and sustainable development of investment and financing business.

Regulatory policies

The Bank's *ESG Risk Management Measures* clearly stipulates that for investment and financing businesses such as corporate credit business, retail credit business, financial market business, financial institutions business, investment banking business, etc., each branch shall comprehensively, prudently, deeply and carefully investigate and assess the ESG risks of client when accepting business and conducting due diligences.

The Bank has issued the *Notice on Strengthening Client Environmental, Social and Governance Risk Management*, which clarifies the requirements on the classified management of clients' ESG risks across the Bank, requiring tighter control over ESG risks throughout the business process. In accordance with the *Key Points for Due Diligence on Environmental, Social and Governance Risks*, the Bank collects information about clients' ESG management and potential ESG-related violations of laws and regulations.

The Bank has released the *Notice on the Launching of the Application Integrating ESG Elements into the Client Credit Rating*, which guides all employees across the Bank to attach great importance to and earnestly study the main contents of integrating ESG elements into client credit rating, to strengthen the management of rating operations, continuously improving ESG risk management.

ESG due diligence process

Basic principle

In the ESG due diligence, the Bank conducts ESG risk assessment based on the basic principles of full-process management, materiality, prudence and differentiation, and requires business handling institutions to handle institutions to fully consider ESG risk factors such as the client industry, region, environmental impact, social impact, operation and management capabilities, project construction management capabilities, and upstream and downstream enterprises and contractors, identifies ESG risk factors in the investment and financing business process, and analyses and judges the possible impact on assets safety.

In response to the identified ESG-related risks, the Bank has established ESG-related risk classification standards and promoted the implementation of risk grading management measures and responding plans according to the nature and severity of the risks. The department responsible for credit approval and the departments responsible for investment would implement reasonable and differentiated credit approval and investment strategies, the business owning branches or institutions conduct regular ESG risk grading re-examinations, continuously improving the risk escalation management mechanism for scenarios involving risk escalation identified in due diligence.

The Bank's ESG risk response initiatives include, but are not limited to: setting limit standards for environmental protection indicators, adjusting the credit scheme, increasing the capital ratio, suspending new credit, compressing existing business, requiring rectification of laws and regulations violations, signing special commitments, increasing frequency of enhanced reviews, and expanding focus on ESG factors, etc. The Bank strictly restricts credit granting or investment to clients who have serious violations of laws and regulations or major risks in environmental, social and governance aspects.

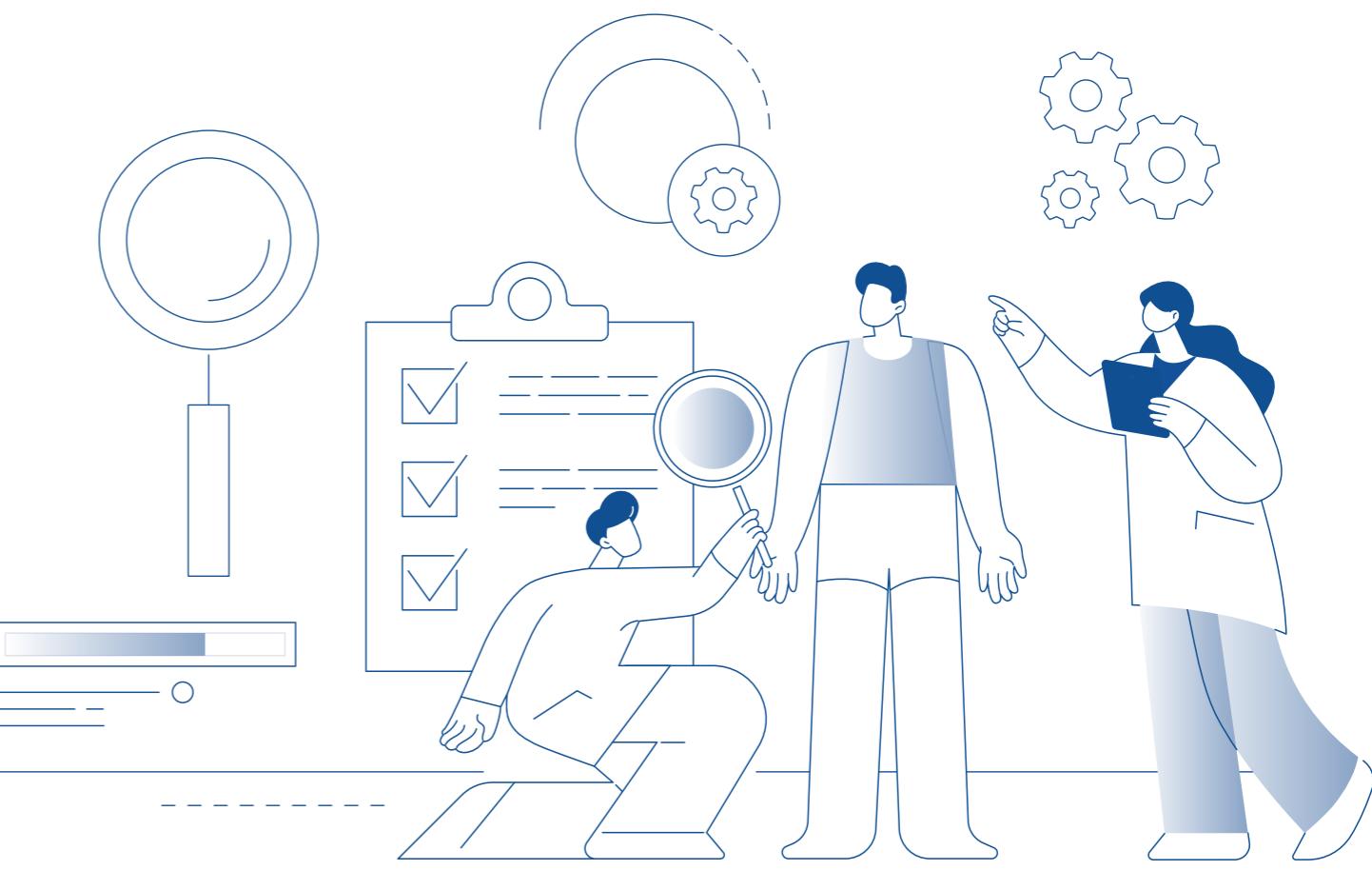


Implementation performance

Credit business

The Bank explicitly requires that the initiation of project assessment should comply with the requirements of ESG-related risk management, and show whether it has been obtained necessary environmental impact assessment documents. If a client has a major ESG-related risk incident, including being rated as an enterprise with an environmental protection warning or an enterprise with bad environmental protection performance in the enterprise environmental credit evaluation, being involved in a lawsuit for environmental or climate reasons and it may have significant adverse impact on the enterprise, being ordered by relevant government authorities to shut down, violating laws and regulations and the violation is difficult to be rectified, and other situations in which major environmental and climate risks and hidden dangers arise, a review of the group comprehensive financing limit and the single-account comprehensive financing limit shall be promptly initiated. In the entire process of credit granting, any instances of environmental violations for which rectification measures have not been approved by the authorised environmental protection authorities shall not be declared, accepted, and approved, and the existing business shall be reduced and withdrawn.

In early 2025, the Bank issued the *Notice on Adjusting the Content Related to ESG in the Comprehensive Financing Declaration Materials*. The notice requires adjusting the contents about "Social, Environmental and Climate Risk Investigation" in customer survey and evaluation reports. The contents shall include: the final classification result of clients' ESG risks ("four colours and five categories"), classification description, the ESG-related violations of laws and regulations in the last three years or three years ago that have not been rectified (if any), the potential ESG risk points of the clients (or projects), and the ESG risk management measures to be taken by the clients (or projects). The compliance review personnel for corporate credit should state the clients' ESG risk classification result in the compliance review opinion form. For clients with a non-green classification in the "four colours and five categories", the reasons should be explained and risk warnings should be properly given.



Client approval

- The Bank assesses clients' ESG-related risk management performance, collects information about clients' ESG management in line with the *Key Points for Due Diligence on Environmental, Social and Governance Risks*, and focuses on reviewing the authority and completeness of risk compliance documents as well as the legality of relevant procedures with reference to the *Compliance Documents for Environmental, Social and Governance Risks and the Compliance Risk Review Checklist*.
- The Bank conducts compliance risk review. The handling institutions should focus on reviewing the authority and completeness of risk compliance documents as well as the legality of relevant procedures, and check whether relevant risk points are sufficiently highlighted and explained in the compliance documents submitted by customers.
- The Bank pays attention to the possible impact of the production and operation of enterprises and project construction on the environment as well as the completeness and effectiveness of their environmental protection measures, and strictly control client access. The Bank pays close attention to industries with potential environmental risks.
- The Bank does not issue loans to projects without environmental impact assessment report. Regarding clients and projects that do not meet national policies or regulatory requirements or environmental protection standards, or have environmental and climate violations and have not completed relevant remediation, being rated as an enterprise with an environmental protection warning or an enterprise with bad environmental protection performance in the enterprise environmental credit evaluation, being involved in a lawsuit for environmental or climate reasons and it may have significant adverse impact on the enterprise, being ordered by relevant government authorities to shut down, as well as have other major environmental and climate risks, customer approval and credit balance increase will be strictly controlled. Regarding those projects which have completed relevant remediation, the Bank requires operations to comprehensively assess the severity and possibility of recurrence of the environmental violations and the overall impact of relevant penalties on enterprises' operations. For those with serious problems, bad influence, repeated violations or problems that cannot be rectified, the Bank requires reducing or withdrawing from relevant business.
- The Bank improves the application materials for the full processes involving comprehensive credit granting, project evaluation and credit approval to present information related to environmental factors such as carbon emissions, including carbon peaking situation in regions where the client operates, whether the industry belongs to the key areas for promotion and control of carbon peak and carbon neutrality, major environmental benefits, contribution to carbon emission reduction, and other relevant information.
- The Bank adds green finance evaluation contents to project evaluation and guides business handling institutions to pay attention to the energy conservation, emission reduction, pollution control, etc., of projects. The Bank optimises the main indicator parameters for project evaluation and reflects analysis and evaluation results in the evaluation report to make the project evaluation more targeted, standardised and scientific, providing a decision-making basis for project selection and credit strategies.

In-loan review

- The Bank implements differentiated credit approval strategies based on the classification results of ESG risks of clients.
- When signing contracts with customers, branches should urge customers to strengthen ESG risk management by improving contract terms.
- At the funding stage, branches should, on the basis of meeting the requirements of dynamic assessment and risk classification, proactively conduct ESG risk assessment in relevant phases, such as the design, preparation, construction, completion, operation, and shutdown, of approved credit and investment projects.
- The Bank reviews the final classification result of clients' ESG risks and corresponding explanation, the potential ESG risk points of the clients (or projects), and the ESG risk management measures to be taken by the clients (or projects).

Post-loan management

- The Bank integrates ESG risk management into the scope of post-loan inspection conducted either on site or off site, to pay continuous attention to changes in clients' ESG risk levels.
- For customers with the ESG risks classified as red (exit category) or yellow II (rectification category), the business owning branches or institutions should conduct on-site inspections at least once every six months, to check the implementation of the measures related to ESG risk prevention stipulated.
- For new ESG risk events, clients should be informed of the subsequent rectification measures and rectification progress arrangements in a timely manner. For red (exit category) and yellow II (rectification category) clients, special risk prevention and control measures and response plans should be studied and formulated.

Bond underwriting

In bond underwriting business, the Bank requires bond issuing clients to abide by the ESG risk management process requirements for investment and financing business. In terms of client and project selection, business access, etc., the Bank strictly reviews the ESG performance such as energy efficiency, greenhouse gas emissions and pollutant discharge, environmental governance strategies and performance, employee rights protection and talent development, management structure and business strategy. During client and project selection, the Bank conducts stage-by-stage review for ESG risk intensive clients such as steel, coal, and thermal power enterprises to enhance management requirements. During business approval, the client's ESG risk control system and management level, production and operation and pollution permits obtained, production process and energy efficiency utilisation level in the industry, ESG risk related factors such as regulatory authorities' environmental safety violations and rectification records, are taken as important contents of due diligence.

Investment

In terms of investment business in the financial market, the Bank continuously optimises business philosophy, integrates ESG elements into annual business strategies, and gives priority to supporting the key areas that are in line with the national strategic orientation and conducive to the green and sustainable development of the real economy, as well as the issuers with outstanding ESG performance. In investment decision-making, the Bank has established an ESG information collection and tracking mechanism to regularly collects ESG data from the internal systems of the issuers' portfolio, as well as ESG rating data from the public market, evaluates and analyses the progress of responsible investment work, and dynamically adjusts the investment strategy according to evaluation results. The Bank continuously improves the post-investment management framework, pays close attention to ESG-related risks, and integrates ESG assessment metrics into bond duration management. The Bank has established a responsible investment working mechanism, and designates employees dedicated to the work; the Bank takes a goal-oriented approach, and makes responsible investment part of the goals. The Bank promotes the concept of responsible investment and shares research results across the Bank, to raise relevant employees' understanding of and professional capabilities in responsible investment.

Trigger factors and risk escalation process

The Bank regularly conducts ESG risk factor assessments and due diligence in investment and financing businesses, regularly reclassifies and reassesses the ESG risk levels of clients, and based on the results of the assessment, upgrades, downgrades or maintains the level of ESG risk, and accordingly adopts differentiated risk management strategies to deepen ESG risk mitigation measures.

Classification standard

The Bank's *ESG Risk Management Measures* clearly stipulates that ESG risks of clients are classified according to the ESG comprehensive management level of the clients (or projects), the severity and frequency of negative ESG issues, the status of rectification, and the industry or region in which the investment is invested. The risk levels are classified into "four colours and five categories" according to nature and severity, namely green (normal category), blue (concern category), yellow I (observation category), yellow II (remediation category), and red (exit category), so as to strengthen ESG risk management of investment and financing business through classified measures.

- Normal Category: Clients (or projects) hold a robust level of overall ESG management with no negative ESG issues in the past three years or only a few minor negative ESG issues (rectification has been completed).
- Concern Category: Clients (or projects) with a good level of comprehensive ESG management, and in the past three years, there are a few minor negative ESG issues (rectification has been completed); or, in the past three years, a few general or above negative ESG issues (rectification has been completed and the observation period has been exceeded) negative public opinion; or they have invested in industries or regions that are relative sensitive in terms of ESG risks.
- Observation Category: Clients (or projects) with an average level of comprehensive ESG management, and there are general and above negative ESG issues (rectification has been completed and is under observation period); or, in the past three years, there are repeated general or above negative ESG issues (rectification has been completed and the observation period has been exceeded) public opinion; or the investment is made in ESG risk-sensitive industries or regions.
- Rectification Category: Clients (or projects) with a weak level of comprehensive ESG management and there are negative ESG issues for which rectification has not been completed.
- Exit Category: Clients (or projects) have had significant negative ESG issues, which represent or are likely to represent a significant risk to the Bank.

The Bank clearly stipulates that branches and sub-branches to review the classification of clients by ESG risks at least once a year. For clients that are classified into red or yellow II, dynamic ESG risk assessment shall be evaluated on a quarterly basis. A review of the classification shall be initiated in a timely manner in the event of a change in relevant environmental protection laws and regulations, industrial policies, industry access policies, or in the client's own ESG conditions.

Triggers

The Bank has clearly defined the factors triggering risk escalation management, including negative public opinion incidents, systemic risks in the governance structure, significant changes in ESG risk performance, regulatory penalty notifications, changes of third-party ESG assessment/rating. If any of these situations triggers ESG risk escalation, the Bank's business owning branches or institutions will promptly initiate a re-inspection of ESG risk classification. Specific scenarios include:

- In the last 3 months, the clients (or projects) received notifications, punishments, or was included in any blacklists or key monitoring lists by financial supervisory authorities, as well as by the authorities in charge of development and reform, environmental protection, food and drug supervision, price control, safety supervision, taxation, finance or there are major disputes that adversely affect normal construction, production and business activities.
- In the last 3 months, the clients (or projects) experienced issues that had a significant impact on environmental, social, and governance, such as negative media coverage, mass incidents, or changes in regional or industry environmental standards.
- Significant governance changes occur, such as asset restructuring, significant shareholding changes, frequent changes in senior management, or significant changes to the articles of association of the listed company.
- Changes occur in the clients' environmental, social, and governance assessment by a qualified, independent third-party or relevant authority.
- Regulatory inspections and internal or external audits require adjustments to ESG classification results, or significant changes occur in the client's ESG risk rating results.
- The ESG risk classification results of the client are no longer valid, the validity of the classification results is about to expire, or the classification results need to be assessed or re-examined as required during the validity period, etc.

Risk escalation management

The Bank has clearly defined mechanisms for handling risks at each level across all categories of ESG risk classifications. For clients whose risk levels are escalated or deescalated in the re-inspection of ESG risk classification, the Bank, in line with the ESG risk classification standards, continues to refine and implement the risk escalation management mechanism, and further standardise the implementation of ESG due diligence at a deeper level. If the risk level is escalated to red (exit category), yellow II (rectification category), or yellow I (observation category), the clients will be included in the scope of ESG risk list-based management; relevant branches are required to urge the customers to formulate ESG risk response plans, and to establish a mechanism for sufficient and effective communications with stakeholders and take corresponding management measures according to the escalated risk level. Among which, normal and concern category: cases shall be handled in accordance with credit approval rules and procedures; observation category: approvals shall be carried out by different-level institutions based on different business scenarios including new client onboarding and existing clients conducting new business; rectification category: except for special circumstances, new customers shall not be admitted, and existing customers are not allowed to apply for any new services; exit category: except for special circumstances, new customers shall not be admitted, existing customers are not allowed to apply for any new services, and the existing projects will be phased out.

The Bank issued a *Notice on Adjustment of Approval Authorisation for Comprehensive Financing for Corporate Clients*, transferring to the Head Office the approval authority for part of business on loans for capacity-expanding projects in the five major industries with serious overcapacity (iron and steel, cement, flat glass, shipbuilding and electrolytic aluminium), the coal chemical industry, coking and coal production industry, and thermal power industry and other industries with high environmental, social and climate-related risks, expanding the authorisation of low-carbon business and providing differentiated approval and authorisation policies for green credit whitelisted clients. Furthermore, for enterprises that fail to comply with national policies and regulatory requirements, violate laws and do not complete the rectification, hold environmental credit evaluations indicating warnings or a poor environmental protection record, are involved in environmental and climate-related lawsuits with the potential for a significant adverse impacts, or are mandated by the government to shut down, as well as for other clients and projects with significant environmental and climate risks, the Bank implements a "one-vote veto" on environmental and climate risks and does not grant credit access. Prior to the completion of rectification by existing clients, the credit balance or loan balance is not allowed to be increased (unless it is for the credit business intended for risk mitigation). Clients and projects that pose significant problems, have negative impacts, repeated offences, or cannot be rectified will be promptly reduced and withdrawn.

The Bank conducts ESG risk review in the investment and financing business. As of the end of the first quarter of 2025, 1,679.5 thousand corporate credit clients had completed ESG risk classification. The reviewed aspects include:

- The actual energy efficiency level, comprehensive energy consumption, energy structure, greenhouse gases and emissions of major pollutants of the client's main products, the implementation of cleaner production, ultra-low emissions renovation, and the results of environmental credit evaluation.
- The impact of the client's production and operation on the ecological environment and biodiversity, and the main measures taken by the client to reduce greenhouse gas emissions, pollution prevention and control, and ecological environment and biodiversity protection.
- Whether the client faces public opinion incidents on ecological protection, social impact, and biodiversity.
- Problems, penalties, and rectifications found, imposed, or required by ecological and environmental protection inspection teams, ecological and environmental authorities, etc.

As of the end of the first quarter of 2025, the number of corporate credit clients that have completed ESG risk classification

1,679.5 thousand

Case: ESG risk escalation management

- A coal company applied to the Bank for a RMB1.4 billion loan for the construction of a coal mine and a coal dressing plant. The client received penalties for violations of regulations on environmental protection and workplace safety and had completed the rectification, but the observation period had not expired. During the concerned branch's application to the Head Office for the increase of credit for the client, with considerations of the client's receiving administrative penalties many times for reasons such as construction without prior approval, illegal land occupation, and violations of regulations on workplace safety and environmental protection, the complex history of the project, the frequent changes of shareholders, and the bribery practised by several original shareholders in the process of obtaining the mining right of this project, among other illegal behaviours, the Head Office finally rejected the application for the construction loan.
- An accident happened in a coal mine under a mining company, one of the Bank's clients, causing multiple fatalities. The local work safety regulator imposed penalties on the company and the individuals concerned, and approved resumption of the operations of the coal mine. In response to the workplace accident of the customer, the Bank adopted a strategy of reducing the credit line for the customer from RMB1 billion to RMB500 million, and required efforts to pay close attention to the work safety and operation situation of the company, ensure refined management of credit, strengthen ESG risk classification and identification.
- An agricultural, industrial and commercial company, one of the Bank's clients, was the developer of a collective land-based rental housing project, belonging to an industry with intensive environmental, social and climate risks. The Bank carried out special due diligence on the environmental, social and climate risks potentially associated with the customer. During the due diligence process, the Bank found that as the project construction unit, the company failed to publish the information about the earthwork, shoring and dewatering works as part of the project in the city's underground pipeline safety protection information system before the construction commenced, and was thus punished for violation by the regulator. As a response to the due diligence results, the Bank suspended the disbursement of the project loan. To date, the customer has paid the fine and completed the rectification, with the operation advancing normally. The Bank re-establishes a withdrawal plan for the customer. After approval, it will strengthen regular in-process and post-loan tracking and observation, pay continuous attention to the client's updates in terms of environmental governance, environmental standard compliance, workplace safety, employee growth, labour rights and interests, and ensure strict post-loan management in accordance with relevant policies of the Head Office and branches. If any obvious adverse changes or risk events arise, the credit strategy for the customer will be adjusted in a timely manner.

Case: Due diligence on ESG risk-intensive industries

- The Bank provided loan support to a coal chemical company. The company belongs to the nitrogen fertiliser manufacturing industry, an ESG risk-sensitive one, and has experienced workplace accidents in the past three years, leading to an ESG risk classification of Yellow I. In the credit approval process, considering the client's ESG risk level as well as its solvency and operation capabilities, the Bank put forward pre-financing management requirements: "Given the fact that the borrower is in the technical transformation stage, fund utilisation should be based on actual production needs to prevent misappropriation risk; given the company's limited cash flow and repayment capability during the technical transformation period, significant reduction in credit line should be avoided as it may cause the risk of capital chain disruption." It also put forward continuous financing management requirements: "Efforts should be made to continuously monitor the progress of the borrower's disposal of accidents, prudently assess the impact of the accidents on the borrower's production and operation, profitability, and solvency, and ensure that adverse effects are eliminated. If any further adverse situations arise, effective measures must be taken promptly."
- The Bank provided credit services to a thermal power company. The company currently operates four generating units equipped with complete environmental protection facilities for dust removal, ash removal, desulphurisation, and wastewater treatment, making it a new-type environment-friendly power plant. According to the Bank's ESG risk assessment, the customer's ESG risk classification was initially classified as Yellow I, mainly because it belongs to an ESG risk-sensitive industry (thermal power generation). The Bank's handling institutions conducted in-depth due diligence on the customer's ESG management. Some of the company's generating units have undergone technological transformations that resulted in a decrease in overall carbon emission intensity. By granting the "transition-linked loan", the Bank guided the company in fulfilling the group's carbon emission reduction indicators and transition goals. Meanwhile, after the company's new generating units are built, the coal consumption is estimated to be 275g/kWh, lower than the average coal consumption of 295g/kWh by existing million-kilowatt units, and the project is expected to save 46,000 tonnes of standard coal. The Bank's handling institution adjusted the customer's ESG risk level to Blue in consideration of the customer's active energy conservation and carbon reduction efforts, records of no environmental penalties in the past two years, and initiatives to actively respond to the national strategy of Carbon Peak and Carbon Neutrality. Based on the client's actual turnover needs and ESG classification result, the Bank promptly adjusted the credit strategy and raised the credit line for working capital loans, playing a positive role in supporting the company's transition to green and low-carbon development.

ESG Risk Management Integration in Business

The Bank integrates ESG risk management into the business management system and processes, comprehensively implementing ESG risk control requirements in due diligence, compliance review, credit approval, loan granting review, post-investment and loan management, risk asset disposal, and other processes, aiming to promote the implementation and effective operation of the ESG risk management system. Through innovative practices in ESG rating, the Bank plays a positive role in promoting social transition towards green and low-carbon development and achieving "Carbon Peak and Carbon Neutrality", winning the "The Climate Risk Management Awards 2025 for the Asia Pacific region" of *Asia Banker*, the International Finance Forum (IFF) "Global Green Finance Award 2024 · Innovation Award", and the "The Banker Risk Management Innovation Case of the Year", and selected as an excellent case in the *Green Finance Research Report of China*.

■ ESG risk management system for investment and financing business

The Bank has established a sound ESG risk classification management system, which covers 14 dimensions including emission management and workplace safety, 40 key indicators, and 293 risk classification rules. The system automatically identifies and monitors risk events such as enterprise penalties and reprimand notices published on thousands of governmental websites, including those of environmental protection and development & reform authorities, on a daily basis, and integrates internal and external data about judicial litigation, negative public opinions, and lists of dishonest entities. On a cumulative basis, the system has identified tens of millions of ESG risk items, intelligently analysing the nature and severity of risks to facilitate ESG risk monitoring and classification, and enable pre-event warning and post-event alert. As of the end of the first quarter of 2025, ESG risk classification had been completed for 1,679,500 corporate credit customers.

■ An ESG rating tool for corporate customers

The Bank has launched an automated ESG rating tool for corporate customers, designing 74 data-driven rating indicator systems for enterprises of different industries and scales. The tool is applicable to a wide range of clients, highly targeted, systematic and automated, and combines international standards with practices with Chinese characteristics. The tool makes it easier for users across the Bank to view ESG rating analysis, ESG risk warnings, comparative analysis of similar customers, overall ESG performance in key business areas, and the characteristics of ESG risks in specific regions of selected customers. As of the end of the first quarter of 2025, it had enabled automatic ESG rating for 1.58 million customers meeting the evaluation criteria.

The ESG rating tool provides important references for customer selection and credit evaluation in the Bank's credit and investment business. Applied to ESG risk classification management, it helps scientifically evaluate clients' sustainable development capabilities, and promotes proactive customer selection and risk control. Meanwhile, the Bank innovatively adopts a dynamic loan interest rate adjustment mechanism, linking loan rates with borrowers' green economic indicators such as carbon emission intensity per unit product and ESG rating results, to motivate the borrowers to expedite low-carbon transition, drive the positive cycle and sustainable development of investment and financing businesses, and provide strong support for implementing the requirements of the high-quality development of green finance.

■ Integration of ESG elements into customer credit ratings

Based on historical risk data, the Bank analyses the correlation between ESG rating metrics and credit risks, incorporating the ESG rating metrics directly affecting credit risks into customer credit ratings, to make the credit rating results fully reflect clients' varying ESG management levels and risk characteristics. The enterprises with sound ESG management can achieve rating upgrades, while those with relatively poor ESG management or triggering negative ESG events will experience downgrades in credit ratings as appropriate. The credit rating results are widely applied throughout the business process, including customer/product access, credit policies, credit lines, credit authorisation, loan pricing, asset classification, impairment provision, economic capital/regulatory capital measurement, and performance assessment. As of the end of the first quarter of 2025, relevant credit rating models had covered 126,500 customers and RMB15.45 trillion in credit balance.

■ ESG Selected Stock Investment Index

The Bank further promotes the integration of ESG investment and financing concepts into the entire business process, and innovatively supports equity-loan linkage business. Based on self-developed ESG rating tools, the Bank has completed the compilation of the ESG Selected Stock Investment Index, and designed a visualised system interface, to highlight sustainable investment opportunities and guide the optimisation of credit and investment structures.

The Bank's ESG Selected Stock Investment Index covers mainstream market benchmark indices such as the CSI 300, CSI 500, and CSI 800. The Bank selects the stocks with top-ranked ESG scores among the constituent stocks of the benchmark indices as samples for the ESG Selected Index, tracks their prices and returns, and evaluates the effectiveness of enterprises' green and low-carbon transition, to support the development of transition finance.

To facilitate query and analysis of the ESG Selected Stock Investment Index by business and management personnel at all levels, the Bank has deployed a visualised display interface in the ESG rating system. The system tracks the return performance of the ESG Selected Stock Investment Index in a systematic and automated manner, and comprehensively displays the index compilation plan, constituent stock composition, rate of return, maximum drawdown, Sharpe Ratio, and return-risk ratio, etc.

■ Business practices

The Bank actively explores ways to link loan interest rates, credit lines, and loan terms, with borrowers' ESG assessments, greenhouse gas emission reduction, energy efficiency, and other sustainability goals. The move aims to motivate and guide loan borrowers to pursue green and low-carbon transition, promote the orderly and effective connection between green finance and transition finance, and fully activate the important role of financial resources in boosting the green and low-carbon transition of the economy and society on all fronts.

The Bank has initiated research on carbon accounting for investment and financing activities, analyses the requirements of domestic and international regulators and exchanges, investigates the disclosure practices of advanced peers, and visits corporate clients to understand their carbon emission data management, aiming to explore a carbon accounting methodology for investment and financing that reflects the Bank's unique characteristics. The Bank will refer to domestic regulatory accounting guidelines and the Partnership for Carbon Accounting Financials (PCAF)'s methods to develop greenhouse gas accounting plan for investment and financing, and prioritise collecting carbon emission data from high-carbon industry clients and pilot carbon accounting in these sectors.

Case: Exploring the building of a financial service system for low-carbon transition

The Zhejiang Branch of the Bank actively explores new paths for the development of transition finance, and has issued the *Implementation Plan for Exploring and Building a Financial Service System for Low-Carbon Transition*. The branch has innovatively established a comprehensive assessment metric system for low-carbon transition finance with "Carbon Shell" at the core, and incorporated the Bank's ESG ratings for customers into the "Carbon Shell" assessment metrics. The loan interest rates are determined by adding or subtracting points based on the market-quoted interest rates. After the interest rates are determined, a linked interest rate of [-10BPS, 10BPS] can be separately set according to the "Carbon Shell" level, integrating the enterprise's carbon factors into the financial service process. The move aims to support the low-carbon transition of high-carbon and high-efficiency enterprises, further explores the innovative development paths of transition finance, and drives the development of the Bank's transition finance business.

The branch has innovatively launched the "ESG Sustainable Development Loan", targeting enterprises or projects within the Huzhou area that have been rated by the Bank using the ESG rating tool for corporate customers and have ESG scores and rating results. The loan is used for working capital or fixed assets, with the loan cost linked to the borrowers' fulfilment of ESG sustainability targets. The product is of positive significance and reference value to promoting the low-carbon transition of enterprises. As of the end of 2024, the branch had granted ESG sustainable development loans exceeding RMB3.7 billion to 33 enterprises in total.

Based on the enterprise's operating conditions and strategic goals, the branch customised a "sustainability linkage + sci-tech innovation note" dual-labelled bond issuance plan for a chemical enterprise. In the plan, the "standard coal consumption per unit of power supply" is selected as the KPI; the sustainability performance target that "in 2025, the standard coal consumption per unit of power supply of the enterprise shall not exceed 270 grams of standard coal per kilowatt-hour" was set, and the coupon rate was linked to the sustainability goal through bond structure design. The project was successfully implemented in 2024 as the first "sustainability linkage + sci-tech innovation note" dual-labelled bond in Zhejiang, helping the enterprise accelerate transformation and upgrading, and advance towards the goals of "Carbon Peak and Carbon Neutrality".

Case: Innovative financial services for "carbon intensity + ESG"-linked low-carbon transition

The Hubei Branch of the Bank has formulated the *Financial Service Plan for "Carbon Intensity + ESG"-Linked Low-Carbon Transition*. The branch uses the ESG rating tool for corporate customers to evaluate the sustainability performance of loan borrowers, and links the carbon emission intensity and ESG rating results of loan borrowers with loan interest rates, to guide loan borrowers to pursue green and low-carbon transition. The Hubei Branch of the Bank has signed the *Supplementary Agreement to the "Carbon Intensity + ESG"-Linked Loan Contract* with an energy enterprise, specifying the ranges of carbon emission intensity reduction and interest rate adjustment. This marks the granting of the first "carbon intensity + ESG"-linked loan in Hubei, prompting the enterprise to more actively carry out low-carbon energy-saving upgrade and transformation, accelerates the fulfilment of low-carbon transition goals, and enhances ESG governance capabilities and performance.



Case: Practical exploration of sustainability performance goals and pricing mechanisms

The Shandong Branch of the Bank actively promotes the innovation and application of transition finance products such as sustainable development-linked loans, linking loan interest rates with the achievement of sustainability performance targets (SPT). On the basis of reaching an agreement with enterprises through consultation, the branch links loan interest rates with single or multiple metrics such as the enterprises' pollution and carbon emission reduction, energy consumption per unit product, and ESG ratings, incentivising borrowers to achieve sustainability goals through the loan price adjustment mechanism. The loan borrowers are enterprises that are duly incorporated and willing to reduce pollution and carbon emissions and pursue green development. Enterprises shall have clear sustainable development strategy and be able to provide accurate, quantifiable, auditable and verifiable sustainability performance goals.

The branch reasonably calculates the amounts of sustainable development-linked loans by fully considering the borrowers' actual needs and credit status, and based on the borrowers' operating scale, business characteristics, and capital circulation cycle. While observing the principle that revenue covers risks and costs, and considering factors such as the customers' market position, contract performance capability, risk mitigation measures, and comprehensive contribution, the branch reasonably determines the loan interest rates for the enterprises as the benchmark interest rates for loan contract signing and loan interest collection. Within the scope of pricing authority as a provincial branch and the loan pricing self-discipline mechanism, the branch also links the actual loan interest rates of the enterprises with the achievement of the enterprises' sustainability performance goals.

During the loan period, if the enterprise achieves the sustainability performance goals, the actual loan interest rate will be lowered based on the agreed loan interest rate as appropriate; after the loan matures, part of the interests will be returned to the enterprise according to the adjusted interest rate. If the enterprise fails to achieve the sustainability performance goals, the loan interest rate will be raised as appropriate; after the loan matures, additional loan interests will be collected according to the adjusted interest rate.

Climate-related Risk and Opportunity Management

Top-level design for climate-related risk and opportunity management

The Bank attaches great importance to the impact of climate change on business operations, and strictly abides by regulatory policy requirements, guidance directions, industry development trends, and internal strategy plans, actively explores the assessment of climate-related impacts, risks, and opportunities, as well as stress testing initiatives in response to these factors. The Bank sets out clearly that the Board of Directors is ultimately responsible for the formulation and implementation of the Group's environmental and climate-related strategies, conducts in-depth studies on the disclosure requirements of climate-related information of the International Sustainability Standards Board (ISSB), Hong Kong Stock Exchange, and Shanghai Stock Exchange, assesses the impact of climate-related risks and opportunities on the overall strategy, capital structure, business layout, and financial performance, guides research on analysing the transmission channels of climate risk to credit, operational, market and other risks, actively promotes the evaluation of climate-related impacts and enhances climate risk resilience and management capacity, consistently optimising the top-level design of climate-related management.

The Risk Management Committee of the Board of Directors of the Bank is responsible for overseeing and guiding ESG-related risk management, including climate-related risks and opportunities. The Committee regularly reviews thematic reports on environmental and climate-related risks and opportunities, as well as ESG-related risk quantification, researches the impacts of climate change and corresponding measures, and promotes the deep integration of ESG elements into the comprehensive risk management system, to create a seamless link between ESG elements and clients' credit rating systems, enhance the stress testing of climate-related risks and offer guidance for refining industry-specific credit policies.

In the second half of 2024, the Risk Management Committee of the Board of Directors listened to the *Report on Climate Risk Management*, demanded a broader scope for climate risk stress testing and regular updates on climate risk scenario analysis, suggested detailed climate risk elements in risk preference, and climate risk inclusion in strategic planning, capital planning and internal capital adequacy assessment. The committee also encouraged expanding Scope 3 emission calculations, improving the accuracy, and exploring net-zero transition goals, advises the Management to strengthen professional teams and cooperate with external organisations to meet the growing requirements for climate risk management and disclosure.

For details of the oversight of climate-related risks and opportunities by the Risk Management Committee of the Board of Directors, please refer to relevant content of "Progress in ESG Governance". Members of the Board of Directors of the Bank have extensive and deep experience in climate-related risk management, please refer to the relevant content of "ESG related skills of Board members" in chapter Governance.

The Environment Group of the Management's ESG Promotion Committee is responsible for promoting the implementation of relevant policies and regulatory requirements, integrating environmental and climate-related risk management into all business aspects, and continuously optimising the asset structure to align with the green transformation of economy and society. Each department of the Head Office is responsible for the execution of the specific mitigation mechanisms and response measures of climate risk and opportunity management according to the division of responsibilities and regulatory requirements, implements the identification, assessment and management of climate-related impact, risks and opportunities, researches and formulates strategies, promotes the integration of the management of climate-related risks into the comprehensive risk management system, effectively enhancing the implementation of the quality and efficiency of management.

Climate-related risk analysis

The Bank actively identifies environmental and climate risks from multiple dimensions, integrates climate change risk factors into the traditional risk analysis framework, thoroughly studies the overall impact of environmental and climate risk factors on business models, operation strategies and financial position, and works out targeted measures to ensure stable and sustainable business development.

The examples of main environmental and climate risks identified by the Bank and corresponding measures include:

Credit risk	
 Risk factor	Losses in clients' assets caused by natural disasters and extreme weather, affecting continuous operation or damaging the value of collaterals Operation difficulties and bad debts led by costs rise and output decrease in industries with high-carbon emissions, which are resulted from the need to upgrade technology, the elimination and replacement of outdated production capacity, and the exploration of new energy sources, etc. Strengthened regulatory requirements/issuance of new policies on environmental protection/raised environmental protection standards, etc.
 Business involved	Investment and financing business
 Major impact	Possible rise in production costs, decrease in profit, etc., for industries with high-carbon emissions as a result of the transition toward low-carbon development, leading to a rise in default risk and putting pressure on the Bank's asset quality and adjustment of asset structure, risk control policy, etc.
 Time frame ⁶	Short term/medium term/long term
 Degree of impact ⁷	Depending on specific projects
 Response measures	Ensure energy security and financial services for the transition toward low-carbon development in a coordinated manner, stipulate in credit policies which focus on renewable energy supply and the orderly substitution of traditional energy, and increase financial support for energy systems. Boost credit support for green and low-carbon transition projects that meet national green and transition finance standards in line with market-based and law-based principles, and keep credit risk in the energy sector generally under control Strengthen the management of credit and investment and financing for industries with high energy consumption and high emissions, including energy efficiency level, greenhouse gas emissions, and pollutant discharge, as important basis for client and project selection, credit approval and post-loan management
Market risk	
 Risk factor	Changes of client preferences and investment behaviours Fluctuations in carbon prices or changes in the proportion of free quota
 Business involved	Industries that have been included in the carbon trading market
 Major impact	Risk of client loss, decline in product and service demand, if green products are not developed in a timely manner Decline in the obligor's profitability or decrease in value of assets as carbon prices rise and free quota decreases
 Time frame	Medium/long term
 Degree of impact	Depending on the industries' and businesses' specific conditions
 Response measures	Develop products and services that meet the low-carbon and environmental protection demands of clients and consumers in a timely manner

⁶ Time frame: short term (1-3 years), medium term (3-5 years), long term (5-10 years).

⁷ Degree of impact: high, moderate, low.

Liquidity risk	
 Risk factor	Severe weather, natural disasters, etc., cause clients to have operation difficulties and affect the stability of fund liquidity, causing the Bank to face risk in its own operating liquidity
 Business involved	The Group
 Major impact	Restricted operations by clients and the Bank due to insufficient fund liquidity
 Time frame	Medium to long term
 Degree of impact	Moderate
 Response measures	Pay close attention to identify and assess the impact of climate-related risk factors on the operations of clients and the Bank, include climate factors into the considerations when formulating the liquidity emergency plan, improve the mechanism for integrating risk factors into liquidity management, and strengthen the capacity for preventing and controlling risks
Operational risk	
 Risk factor	Extreme weather such as rainstorms, floods and typhoons Raised environmental protection standards and development of low-carbon technology
 Business involved	The Group
 Major impact	Extreme weather events may cause water outage, power outage, damage to office places, casualties, transportation inconvenience, etc., halting business operations and resulting in losses of assets
 Time frame	Short/long term
 Degree of impact	Low
 Response measures	Revise the operational risk management policy and further improve the operational risk management system framework to align them with new regulatory policies. Improve the full-process business continuity management and responsibility system, develop business emergency response plans, and specify the management requirements for unexpected extreme weather events such as emergency organisation, preparations for emergency, implementation of emergency measures, key points of emergency handling and post-disaster resumption of work and production. Improve the information reporting process, formulate mechanisms for handling different disaster situations, and strengthen collaboration for addressing risks across the Group Select business buildings that meet national technical standards and requirements for preventing natural disasters, make proper preparations for prevention and response, protect the lives and property of the employees and clients, and make sure that assets such as important equipment and cash are properly transferred, protected and dealt with Based on the architecture design of "three centres at two locations", achieve 100% coverage of remote disaster recovery construction for important IT systems, and continuously update and iterate to ensure that the disaster recovery capabilities are always ready and effective Regularly organise emergency drills and conduct emergency drills for natural disasters such as freezing rain and snow, floods, etc., mitigating climate change, to improve the emergency response mechanism and strengthen the emergency response capacity Formulate the Sub-Plan for "Carbon Peak and Carbon Neutrality" of Data Centres across the Bank, continuously pay attention to environmental protection standards, conduct in-depth research and apply advanced energy-saving and emission reduction technologies, take multiple measures to reduce server room energy consumption, improve server room utilisation and management efficiency, and accelerate the construction of green data centres

Reputational risk	
 Risk factor	As public awareness of issues such as environmental protection and climate change grows and consumer preferences shift, environmental performance can affect the Bank's reputation
 Business involved	Depending on the source risk that causes the reputational event
 Major impact	Possible negative views from stakeholders, the public, media, etc., because the Bank's daily operation or business management causes damage to the environment or the Bank fails to take timely actions to address climate change, thus damaging the Bank's reputation and image
 Time frame	Long term
 Degree of impact	Moderate
 Response measures	Strengthen corporate culture and brand building, take on social responsibility, and build a sound social image. Take the initiative to accept public opinion supervision and disclose information in a timely and accurate manner Regularly conduct reputational risk investigation, take forward-looking, comprehensive, proactive and effective steps to prevent reputational risk and respond to reputational events, and remove or minimise reputational damage
Legal risk	
 Risk factor	Introduction of new laws and regulations and new policies on environmental protection
 Business involved	The Group
 Major impact	If the Bank fails to follow up and study relevant national policies, and formulate and implement specific measures in a timely manner, it may need to pay additional costs, have negative impact on the normal operation of the Bank and even cause the Bank to face legal risks such as fines and lawsuits
 Time frame	Long term
 Degree of impact	Low
 Response measures	Continuously pay attention to China's legislation in the fields of green development, the environment, etc Strengthen collaboration of the Group and properly deal with relevant lawsuits

The research and exploration of climate-related risks

To more scientifically assess climate-related risks, the Bank continuously deepens climate adaptability assessment, independently develops a climate risk stress testing system that suits the national conditions of China and the Bank's operation business realities, continuously expands stress test coverage, keeps advancing stress testing and theoretical research on transition and physical risks, and takes further steps to make the quantitative analysis of climate risks more scientific, systematic and practical. In daily operations, the Bank continuously monitors the actual impact of climate-related risks on business, dynamically reviews the operational resilience across different climate scenarios based on key areas from climate risk scenario analysis and stress testing, also actively explores ways to apply climate adaptability assessment results in its business.

In 2019, the Bank began to explore how to carry out environmental risk stress testing to analyse the impacts of higher environmental protection standards on chemical enterprises. In 2020, the Bank explored how to conduct climate transition risk stress testing for the thermal power industry, focusing on analysing the impacts of carbon trading on thermal power enterprises. Since 2021, the Bank has actively participated in the climate risk stress testing work organised by the People's Bank of China, and, on the basis of previous explorations, expanded the scope of transition risk tests to thermal power, iron & steel, cement, and aviation industries, with the focus on the impacts of carbon trading. In 2022, the scope of transition risk stress testing was further expanded to eight high-carbon industries, namely thermal power, iron & steel, building materials, petrochemicals, chemicals, papermaking, civil aviation, and non-ferrous metal smelting. At the end of 2022, the Bank initiated a climate risk stress testing consulting project, and has initially established a framework for climate risk stress testing that covers transition risks and physical risks. Specifically, transition risk stress testing is targeted at ten carbon-intensive industries, namely thermal power, iron & steel, aviation (including airports), petrochemicals, chemicals, papermaking, building materials, non-ferrous metal smelting, coal, and road transportation. Physical risk stress testing was targeted at real estate mortgage financing and agricultural enterprise loans. In 2024, the Bank's first-ever report on climate-related physical risk stress testing was completed. The Bank won the "2024 Climate Risk Management Achievement Award of China" from *The Asian Banker*.

Climate-related risk scenario design

For climate transition risk scenarios, the Bank joined hands with the Institute of Finance and Sustainability, applied the Energy Policy Simulator, combined with national policy requirements, designed and built climate risk stress test scenarios fitting China's conditions and align with Network for Greening the Financial System (NGFS) scenarios. Four scenarios were designed, namely 1.5°C scenario, 2°C scenario, current policy scenario and the "30-60" scenarios of Carbon Peak and Carbon Neutrality, which integrated various factors including China's economy, energy and carbon emissions, climate and environmental policies, global climate governance, etc. The scenario outputs cover multiple factors such as industrial product output, prices, industry-specific carbon emissions, domestic carbon prices, and major industry costs. The "30-60" scenarios of Carbon Peak and Carbon Neutrality developed by the Bank is the first of its kind in the industry. It aligned with China's "1 + N" policy system and relevant policies under the "30-60" goals of Carbon Peak and Carbon Neutrality and has formed a set of indicator systems with quantitative indicators as the mainstay, better matches the national future low-carbon transition path, providing decision-making reference for managing and addressing climate risks of the Bank.

For physical climate risk scenarios, the Bank worked with the Institute of Geographic Sciences and Natural Resources Research, CAS, used Coupled Model Intercomparison Project Phase 6 (CMIP6) climate model data from the World Climate Research Programme and used China's meteorological observation data to calibrate the model. Through analysing disaster-related economic losses, the Bank has built regional and sector-specific stress scenarios for three common natural disasters in China: typhoons, floods, and droughts (which accounted for about 90% of all meteorological disaster losses during 2004-2020). Aligned with transition risks, these scenarios project the future intensity and frequency of various disasters in different regions.

Transition risk stress testing

Testing range and method

The scope of industries of the transition risk stress test of the Bank was expanded to cover 10 carbon-intensive industries, including eight major carbon-intensive industries, namely thermal power, steel, chemical, aviation (including airports), petrochemical, building materials, nonferrous metals and papermaking, and carbon-intensive upstream and downstream industries, namely coal and road transport.

The Bank keeps optimising transition risk stress test methods. On the basis of carbon emission rights prices, the Bank fully includes factors such as output, price, cost of raw materials, energy, fixed asset investment, asset stranding, etc., of different carbon emission reduction paths into the driving factors of transition risks. The transmission path of transition pressure from the policy end to the enterprise end and its rules for measurement of financial statements are clarified.

Testing results

The baseline for the transition risk stress test is the end of 2022, with a test period from 2023 to 2060.

The test results show that if effective measures are not taken and climate change is not addressed proactively, under the four set scenarios, the loan repayment capability of the clients in the 10 carbon-intensive industries all see declines of varying degrees, a rise in probability of default, and a downgrade in credit rating. The aviation, thermal power, steel, and petrochemical industries are impacted most under the "30-60" scenarios.

In the medium to long term, the impacts on the Bank's capital adequacy ratio decline under all the scenarios. Under the 1.5°C scenario, the 2°C scenario, the current policy scenario and the "30-60" scenarios of Carbon Peak and Carbon Neutrality, the capital adequacy ratio declines by 4.15, 3.11, 1.61 and 1.65 percentage points in 2030 from the base period respectively, and by 5.21, 5.03, 3.44 and 4.93 percentage points in 2060 from the base period respectively. Under the "30-60" scenarios of Carbon Peak and Carbon Neutrality, the capital adequacy ratio declines markedly after 2033 due to a significant increase in policy pressure.

Climate physical risk stress testing

The Bank continuously deepened the exploration of climate risk stress testing and conducted physical risk stress testing in 2023.

Testing range and method

Based on meteorological observation data of China, disaster loss data, the Coupled Model Intercomparison Project Phase 6 (CMIP6) and the NGFS scenario data, for the three major disasters of floods, typhoons and droughts which occur relatively frequently in China and cause large losses, the Bank designed physical risk stress scenarios down to the prefecture-level city and linked to the transition risk stress scenarios, and constructed disaster loss curves by region and by type of hazard-bearing body, to quantitatively analyse the impact of the relevant disasters on the value of the Bank's real estate collaterals and loans to agricultural clients.

Testing results

The base period of the physical risk stress testing is the end of 2022.

Real estate collaterals: The test results show that under the current policy scenario and the "30-60" scenarios of Carbon Peak and Carbon Neutrality, and due to the joint impact of floods and typhoons, the coverage ratio of real estate collaterals to financing exposures of the Bank declines by 7.91 and 6.78 percentage points from the base period respectively. However, after conversion using risk-weighted assets (RWA), the final impact on the Bank's capital adequacy ratio is very small. In terms of disaster type, compared to typhoon, flood disaster has more significant adverse impact on the value of real estate collaterals.

Agricultural loans: The test results show that with the combined effect of floods, typhoons, and droughts, under the current policy scenario and the "30-60" scenarios of Carbon Peak and Carbon Neutrality, the loan repayment capability of all agricultural clients of the Bank declines at varying degrees and their probability of default rises. However, because relevant risk exposures are small, their impact on the Bank's capital adequacy ratio is very limited. In terms of disaster type, drought is the primary disaster type causing yield reduction and rating downgrading of agricultural clients.

Application of Climate Risk Stress Test Results

Based on the results of climate-related risk stress testing, the Bank identifies the branches more vulnerable to disasters, and sends risk alerts to them, reminding them to pay great attention to climate-related physical risks, closely monitor the early warnings issued by meteorological authorities, and exercise effective safety management of office buildings and business premises, to ensure personnel safety and production stability. The Bank effectively strengthens collateral risk management, fully assesses the adverse impacts of natural disasters on the value of collaterals, and promptly conducts collateral re-evaluation or top-up when necessary. The Bank focuses on the operations of credit customers in industries vulnerable to climate impacts, such as agriculture, and learns about the conditions of agricultural customers affected by disasters in a timely manner. If any risks that may affect clients' credit profile arise, the Bank will promptly conduct re-examination of the credit ratings to identify, warn against, expose and dispose of the potential risks at an early stage.

Green Operation

The Bank deeply implements the concept of green development, comprehensively strengthens the construction of green operation management system, strictly complies with the requirements of the *Energy Conservation Law of the People's Republic of China*, the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and other laws and regulations, systematically promotes and implements green office, green procurement, and the construction of green outlets, builds green data centres, upgrades the green service facilities, and actively carries out low-carbon publicity and training, striving to build a resource-saving and environment-friendly modern banking operation model.

Building a Green and Low-Carbon Bank

The Bank constantly deepens green and low-carbon transformation, fully integrating the concept of sustainable development into every aspect of management and operations. By promoting green office, advocating green services, implementing green procurement, effectively implementing green and environmental protection requirements, and actively promoting the construction of green outlets and energy-saving renovations of green data centres, the Bank is building a comprehensive green operation system. The Bank continuously strengthens the refined management of energy, improves the energy management system, conducts energy audits, implements energy-saving technological transformation, introduces high-efficiency and environmental protection equipment, effectively reducing energy consumption. At the same time, the Bank refines waste sorting and disposal mechanism to ensure that both hazardous and non-hazardous waste are properly handled, fulfilling the environmental protection responsibilities and setting a benchmark for the green development of the industry.



Green office

Enhancing the management of carbon emissions: The Bank refines the carbon emission management system, realises real-time monitoring and analysis of carbon emission data through digital systems. Each branch submits carbon emission data through the unified platform every month, and operations at all levels conduct data aggregation and analysis to grasp the status of carbon emissions and implement targeted energy conservation and carbon reduction measures. The Bank establishes a scientific carbon emission management assessment mechanism, incorporates carbon neutrality pilot work into the branch performance assessment system, and regularly organises thematic training on carbon emission management, continuously enhancing the professional literacy and practical abilities of carbon management team by combining theoretical teaching with the practice of excellent cases.

Energy consumption monitoring: The Bank engages third-party institutions to conduct energy audit across the Bank, systematically evaluating the energy use efficiency, energy consumption levels, and environmental benefits for all operations. Through comprehensive monitoring and diagnosis of energy utilisation, the Bank deeply analyses the operational efficiency of main energy-consuming equipment, accurately identifies key phases for energy conservation and consumption reduction, providing a professional basis for formulating scientific and effective energy-saving renovation plans and management optimisation measures, and effectively improving the energy utilisation efficiency across the Bank.

Energy consumption: The Bank has constructed an office automation system, which realises the drafting, circulation, review and signing, closing and archiving of official documents as well as the whole electronic processing of the Bank's business information, reduces energy consumption, and does not use paper documents for non-essential purposes, and except for some special documents, the level of the Bank's electronic office has reached more than 99%, at the same time, the online circulation of the departmental information publications is realised, which reduces the number of paper publications and the consumption of paper. The Bank gets through the process of risk reporting system, HR system, travelling, smart funding, Longjicai and other systems to improve the efficiency of information sharing and reporting and approval; through technological means to achieve the technological management of seal, on the one hand, the high risk parts of the Bank's official seal supervision and control capacity significantly improved, on the other hand, the traditional offline approval process is completely electronic, completely replacing the paper printing and approval sheet, further saving the use of paper. In 2024, online seal approvals reached 2.8 million, an increase of 27.3% over 2023.

Paperless office: The Bank promotes paperless office work in an all-round manner, optimises the functions of digital platforms such as the OA system and the integrated service management system, actively promotes paperless office modes such as electronic document circulation and online approval, realising intelligent meetings and full-process digitalisation. Meanwhile, the Bank formulates and strictly implements targets for controlling the procurement of photocopy paper, and systematically reduces paper usage through measures such as digital substitution and double-sided printing, effectively reducing resource consumption.

Waste disposal: The Bank implements the spirit of Xi Jinping's important instructions on stopping food and beverage waste, strengthens staff education and behavioural guidance, deepens the "Clear Plate" campaign, reduces the use of disposable tableware, and refines the procurement of food ingredients, meal preparation and serving of meals to reduce the generation of food waste; disposes of domestic waste in accordance with local regulations, and sets up obvious waste classification signs and special trash cans in the office area; carries out fine management of waste generated in the process of operation (food waste, domestic waste, electronic waste, etc.), classifies them into different categories, and sets up special recycling stations or recycling bins, so as to reduce the impact on the environment.

Green outlets

The Bank systematically promotes the construction of green outlets, formulates the *Guidelines on Taking Orderly and Effective Steps to Build Green Outlets*, and comprehensively regulates the green transformation of outlets. As of the end of the first quarter of 2025, the Bank had built and opened a cumulative total of 1,179 green outlets.

Actively engaged in the formulation of evaluation standards for green outlet construction, the Bank requires that wooden furniture, flooring and paints used in outlets should be building materials that meet national standards. Branches that are in a position to do so adopt green construction techniques in the process of renovating the outlets to realise energy saving, material saving, water saving, land saving and environmental protection.



Green service

The Bank actively promotes the digital transformation of business and facilitates the paperless operation of counter services. Through systematic renovation, the Bank has completed the paperless upgrade of high-frequency transactions for both corporate and individual clients, establishing an electronic service system that covers the entire business process. In voucher management, the Bank has abolished 20 types of pre-made vouchers and established a full life-cycle online management model, driving the year-on-year decrease in the Bank's voucher accounting and printing costs by 50.77% in the first quarter, reducing expenditure by RMB5.71 million; in business handling process, the Bank has optimised the voucher printing process for 211 transactions, abolished the use of internal paper vouchers, and deployed electronic receipt function for 576 high-frequency transactions on electronic channels such as "Binary Star"; in carbon emission management, the Bank has innovatively established a carbon measurement system for counter services, achieving precise conversion between printing volume and carbon emission indicators; in standard building, the Bank has formulated enterprise-level electronic business norms and established a full life-cycle online management system from the generation of business materials to archiving, achieving unified access, configuration and multi-channel collaborative application of voucher management.



Green data centre

- The Bank undertakes green upgrades of existing server rooms, refurbishes some modules at the Yangqiao Centre in Beijing, optimises airflow, enhances cooling efficiency and reduces air-conditioning energy use.
- The Bank uses highly configurable servers to boost server room computing power per unit area, optimises IT equipment cabinet-level deployment to improve power and space efficiency, sets up a mechanism to identify low-efficiency systems, and conducts IT resource recycling and reallocation to raise resource utilisation and cut energy consumption.
- The Bank utilises water-source heat pump technology to recycle heat generated in the IT server rooms, to supply the office area and auxiliary server room zones for heating. The parks post smart heat-insulating films to the exterior windows, effectively blocking sunlight in summer, reducing indoor thermal load, and decreasing air conditioning cooling power. The parks use LED energy-saving lighting systems in office areas, data server rooms and public areas to save electricity consumption.
- The Bank selects air conditioning chillers with natural cooling functions, making full use of natural cold sources during transitional seasons or winter to reduce the electrical energy consumption of air conditioning compressors. The Bank also updates and transforms the old and high-energy-consuming infrastructure equipment, replacing high-energy-consuming devices with high-efficiency and energy-saving products. Additionally, the Bank adopts core energy-saving technologies such as high-frequency UPS, magnetic levitation chillers, and frequency conversion technique to effectively improve energy utilisation efficiency.
- Daixianghu Production Data Centre deploys solar collectors, and Yangqiao Production Data Centre optimises the lighting system control logic of streetlights and lawn lights, prioritising the use of solar system lighting.
- The Bank deepens the refined management of daily operation and maintenance. By scientifically raising the server room temperature and adjusting some UPS and precision air conditioners to cold standby operation, the Bank significantly reduces energy consumption while ensuring production safety.
- The Bank establishes energy consumption analysis and management mechanism, through energy consumption data collection, baseline summarisation, regular meeting analysis and other measures, to conduct statistical analysis of the effectiveness of energy-saving measures, detect abnormal energy consumption and provide a data base for all energy saving and optimisation.



Green procurement

- The Bank has formulated the *Green Procurement Catalogue*, which requires all operations to actively identify green products during the procurement process and review the green qualifications of suppliers and their products. Provided that the requirements are met, the Bank prioritises purchasing products with green qualification. Among the products with green qualifications, the Bank prioritises suppliers with more green qualifications and higher green content.
- The Bank vigorously promotes digital procurement, utilises the Longjicai System to promote online operation across the procurement process while bringing risks under control, and gradually rolls out and implement in subsidiaries, enhancing the quality and efficiency of green procurement across the Bank.
- The Bank launches a "Green Procurement" column, dynamically releases the *Bulletin on Green Procurement*, actively shares the strategies and guidelines for green procurement, guiding green procurement across the Bank.

Case: Implementing pilot work for "Carbon Peak and Carbon Neutrality" in office buildings

The Bank has actively responded to the national strategic goals of "Carbon Peak and Carbon Neutrality" and formulated the *Plan for "Carbon Peak and Carbon Neutrality" Pilot in Office Buildings*. The Bank has selected 75 office buildings to carry out pilot work for carbon neutrality, advanced the implementation through multiple pathways, including technological emission reduction, management emission reduction, green electricity procurement, and carbon offsetting, with the goal of achieving carbon neutrality by the end of 2025. Each pilot building has actively formulated corresponding work plans, continuously improved energy efficiency by implementing measures such as energy-saving renovations, intelligent operation and maintenance, and green office practices. At the same time, the piloting branches start to enter the electricity market, with some branches already beginning to use green electricity. The pilot work is based on the principle of "primarily relying on energy-saving and low-carbon operations, with carbon offsetting as a supplement", aiming to explore and form a replicable and promotable low-carbon operation model for financial institutions and accumulating practical experience for the Bank's overall achievement of carbon neutrality.

Raising the Awareness of Environmental Protection

The Bank adopts a variety of measures to promote the dissemination and training of green and environmental protection awareness, building a comprehensive and multi-level green development culture system. In combination with key events such as Earth Day, National Energy Efficiency Promotion Week and the National Low-Carbon Day, the Bank has organised a variety of publicity activities on energy conservation and carbon reduction; actively launched environmental public welfare activities such as voluntary tree planting and waste sorting, and collaborated with external organisations to jointly build environmental protection projects such as the "Caring Station Public Welfare Forest"; continuously strengthened the ESG thematic publicity, launched special content on carbon footprint management and effectiveness of the Bank, which gained wide attention from domestic and foreign investors. At the same time, the Bank conducts thematic training on green operations to promote concepts such as waste sorting, paperless office, and frugality to employees of all branches across the Bank, comprehensively enhance employees' environmental awareness, and create a strong cultural atmosphere of green development. The Bank continuously promotes personal carbon account services, iterates product functions, expands deployment channels, and carries out co-operation with local carbon inclusive platforms to comprehensively enhance the green influence of clients. As of the end of the first quarter of 2025, the scale of personal carbon account users had exceeded 13 million.



As of the end of the first quarter of 2025, the scale of personal carbon account users

exceeding **13** million

Steadily Advancing Towards Environmental Goals

The Bank actively implements the strategy of "Carbon Peak and Carbon Neutrality", continuously advances the construction of green operation management system, systematically promotes and implements the management of environmental objectives such as emission reduction, energy conservation, waste reduction and water conservation, continuously optimises the implementation plans for key aspects such as energy conservation, emission reduction, and resource recycling, regularly assesses the effectiveness of energy conservation and emission reduction measures, reviews the progress towards achieving the goals, and promptly adjusts the implementation paths. For details of the Bank's environmental objectives, please refer to the section "Green operation" in the Bank's *2024 Sustainable Development Report*⁸.

⁸ Sustainability Report 2024: <https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0328/2025032801311.pdf>

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Human Capital Development

The Bank always regards human capital as the core driver of high-quality and sustainable development. The Bank adheres to the talent development strategy as the guide, adopts an equal and diverse hiring policy, has in place a comprehensive, scientific and systematic employee training mechanism that aligns with employees' abilities and job requirements, and fully taps into the potential of talents. The Bank keeps improving the employee support system, provides all employees with diverse benefits, builds a mechanism for smooth and efficient employee communication and feedback, and expands open and transparent channels for employee communication and feedback, to foster an equal, diverse, open, inclusive, positive and vibrant working atmosphere, and achieve common development with employees.

Equal and Diverse Hiring

The Bank resolutely follows the national strategic requirement about "giving top priority to employment and promoting high-quality and full employment", earnestly fulfils the social responsibility as a major state-owned bank, and practises the philosophy of equal and diverse hiring throughout the process of talent recruitment. Upholding the principles of "openness, equality, competition, and merit-based selection" in hiring, the Bank continuously expands the recruitment scale, provides diversified job opportunities in different regions, institutions, and professional fields for talents with diverse professional backgrounds, and improves the professional structure of employees, laying a talent foundation for the Bank's business development.

The Bank strictly abides by the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Provisions on Prohibition of Child Labour*, and other relevant laws and regulations, strengthens the building of labour employment rules and systems, adopts the labour contract system for all employees, bans all forms of child labour and forced labour, and safeguards labourers' legitimate rights and interests, to make sure that employees achieve career development in an equal and fair working environment. The Bank firmly safeguards equality in employment, clearly specifies that "no conditions involving employment discrimination should be set" in the *Measures for the Management of Open Recruitment*, and resolutely prohibits employment discrimination based on gender, nation, region, religion, etc., to safeguard and ensure fair employment.

The Bank continuously optimises the employee recruitment management process, and actively simplifies job application procedures to make job application and employment easier. The Bank constantly enhances the fine-grained and full-chain management capabilities of recruitment, builds a stable and orderly employment environment, and fosters an enabling atmosphere for employment. In 2024, the Bank won the "China Best Employer Award 2024", and was listed among "China Best Employers Nationwide Top 30", and the "Forbes World's Best Employers 2024" and other awards.

The number of employees hired by the Bank by employment type was as follows:

	2025.3.31	2024.12.31
Employees	376,133 persons	376,847 persons
Workers dispatched from labour leasing companies	3,332 persons	3,374 persons
Part-time employees	0 person	0 person

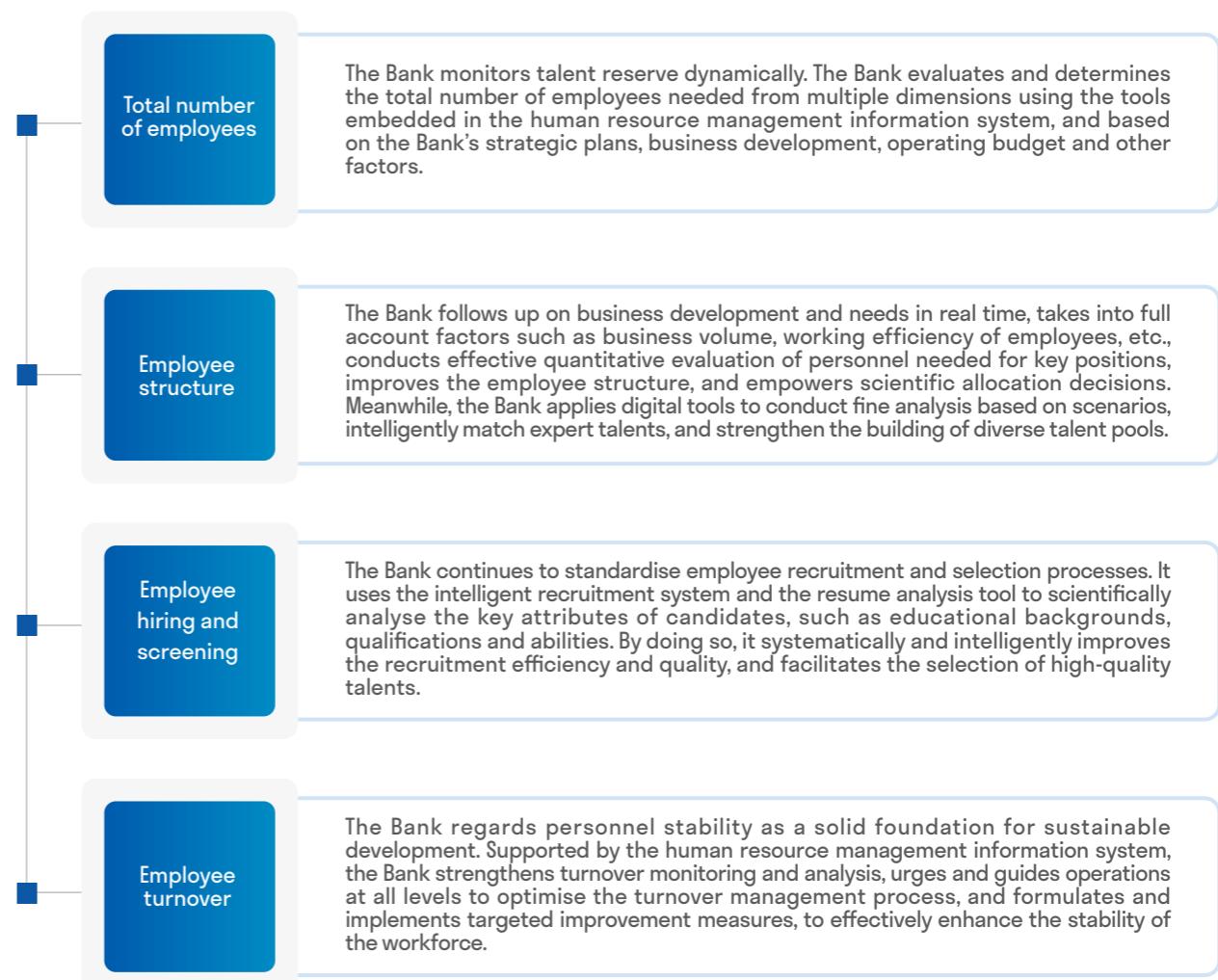
Talent Development Strategy

Talent development plan

The Bank attaches great importance to talent development, advances the implementation of the "*14th Five-Year Plan*" *Talent Development Plan*, actively follows various requirements imposed by regulators and superior authorities. Focusing on strategic objectives and business development needs, the Bank carries out major talent programmes and specialised talent training plans in key areas such as fintech, wealth management, risk compliance, digitalised operation, platform operation, green finance, rural revitalisation, and treasury business. The Bank develops characteristic training programmes with the focus on main responsibilities and businesses, refines the classified and stratified training model, develops a scientific and efficient talent training system, and continuously improves employees' professional capabilities and overall competence, to provide strong support for building a high-calibre professional workforce and driving high-quality development.

Analysis of human capital

The Bank has established a mechanism for systematic and regular human capital analysis. Guided by strategic objectives and business needs, the Bank continuously conducts personnel structure and efficiency analysis, and formulates scientific human resource allocation strategies, to provide talent support for high-quality development. Human capital analysis is conducted mainly in the following dimensions:



■ Building of specialised talent teams

The Bank presses ahead with the building of specialised talent teams, and systematically optimises the talent introduction mechanism. By broadening talent selection channels, improving selection criteria, and establishing professional talent pools, the Bank continuously enhances the breadth and depth of talent introduction.

Based on actual business needs, the Bank follows the strategic requirements of promoting the “Five Priorities” of the financial sector, namely technology finance, green finance, inclusive finance, pension finance, and digital finance, and focuses on implementation of major strategies such as fintech and digital operation. While maintaining strength in traditional talents specialising in economics and management, the Bank highlights the introduction of technical and engineering talents, stepping up recruitment of professionals in fintech, digitalisation and green finance, among other fields. Meanwhile, to strengthen the reserve of tech talents, the Bank has established channels for tech talent recruitment that cover all institutions in campus recruitment, and actively carries out social recruitment of high-level professionals, to introduce top talents in AI, cybersecurity and other fields. The move optimises the professional structure of employees and establish a solid foundation of diverse talents for the Bank’s stable development in the long run.

The Bank continuously strengthens the reserve of professional talents, formulates and issues the *Management Measures for the Construction of Professional Talent Pool (2024 Edition)* to standardise the construction work of the professional talent pool across the bank, and continuously optimising the foundation for talent ‘selection, cultivation, management, and utilisation’. The Bank develops a bank-wide online expert talent pool management system, and continuously improves the information system for the talent pools. The Bank develops and issues a plan for the construction of relevant talent pools, continuously promoting the development of specialised talent pools in green finance, consumer rights protection, inclusive finance, rural revitalisation, foreign-related law and wealth management investment and research, ensuring the timely update of related employees. In 2024, the Bank reviewed and updated the talent pool of wealth management investment and research experts with 156 members, and selected 112 additional members from the talent pool of new FinTech talents. Meanwhile, the Bank further refines the overseas talent pool, and enhances the capability of training and reserving international talents, to provide a talent support for globalised operations. As of the end of 2024, there were 1,378 people in the overseas talent pool (excluding employees sent to overseas institutions).

Empowering Employee Growth

The Bank continues to improve the training management for employees' career development, and strives to enhance the standardisation and refinement of talent cultivation. The Bank has established a systematic talent cultivation and development mechanism. In light of the characteristics of different job sequences and levels, and combined with employees' professional capabilities, the Bank formulates differentiated career development plans to help employees enhance job competency and clarify career development directions. The Bank continues to improve the management systems related to employee training, enrich various training resources, optimise training methods, and actively expand employee training and development platforms. It has established in-depth cooperation with external educational institutions to provide all-round support for employees to enhance their professional capabilities and comprehensive literacy, empower their growth and development, and facilitate the achievement of their career goals.

■ Education and training system construction

Under the guidance of the talent development strategy, the Bank continuously refines the employee career development training system, completes relevant systems on employee education and training, coordinates the implementation of stratified and classified training plans, actively leverages digital means, enriches training channels and resource supply, and improves training contents and modes, to continuously enhance training quality and learning experience.

Full-cycle training system for employee career development

The Bank tightly integrates the strategy advancement with business development, built an enterprise-level learning product system that covers the entire career cycle of employees, covering all stages, from new employees' onboarding and integration, to their growth into core business member, and up to the stages of intermediate and senior professionals and managers. In addition, the Bank has developed a learning map covering all the business segments according to the sequence of professions, forming a four-in-one knowledge system of “teaching materials, question bank, training, examination” through the growth paths of employees' learning, assessment, development and promotion, and make education and training as an important driving force for the building of a learning organisation.

Education and training management system

The Bank continuously improves the education and training system. While thoroughly implementing the latest requirements of the CPC Central Committee on education and training work, the Bank, based on actual conditions, formulates and implements a series of systems such as the *Education and Training Management Measures* and the *Education and Training Plans*. The Bank systematically plans the development direction of the education and training work, ensures that education and training align with business needs, provides institutional safeguard for talent cultivation, and effectively drives the improvement of employees' professional capabilities and career development.

Annual employee training plan

The Bank attaches great importance to the formulation and implementation of the annual employee training plan, and scientifically formulates the annual education and training plan in close alignment with the Bank's strategic development goals and needs for talent team building. The Bank systematically integrates internal and external high-quality training resources, continuously improves the training supply system, and adopts a stratified and classified training approach based on employees' job characteristics and capacity requirements to achieve full coverage of training. In 2024, various types of training across the Bank covered 370,000 employees, effectively enhancing their professional competence and job capacity.



In 2024, various types of training across the Bank covering

370 thousand employees

Digital training platform and management system

The Bank continuously improves “CCB Learning”, groups internal and external resources, enhances platform function settings, and strengthens digital learning service support. The Bank continuously optimises digital learning tools such as “CCB Learning” training camp and open learning communities, accelerates building the digital library, examination and assessment systems, and qualification management systems and other basic service platform for digital learning, so as to improve the efficiency and convenience of training and learning, promote the iterative upgrading of digital learning concept across the Bank.

The Bank actively promotes the digital transformation of training management and strives to optimise the functions of the digital training management system. By establishing an electronic training archive system for employees with “one file for each person”, the Bank can achieve complete collection and dynamic update of training data. Employees can check their personal training hours, learning progress and training records at any time, which improves the convenience and transparency of training management and provides strong technical support for talent training across the Bank.

Education and training resources

In order to continuously strengthen the supply of education and training resources, the Bank establishes a “three-in-one faculty system” with full-time teachers, part-time teachers and teachers from outside the Bank. As of the end of the first quarter of 2025, 310 learning projects had been opened in the enterprise-level learning product library in six major businesses, and the teaching materials library had a total of 102 sets 210 volumes teaching materials in use across the Bank.



As of the end of the first quarter of 2025, learning projects opened in the enterprise-level learning product library

310

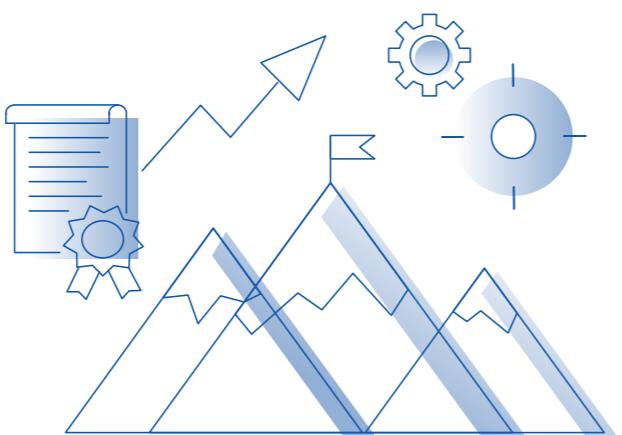
Teaching materials in use in the teaching materials library

102 sets **210 volumes**

Job-specific development training programmes

The Bank continuously improves the training development system covering all employees. Based on the needs for business development and talent team building, each business line defines targeted and effective training strategy to suit the professional qualifications or skill requirements of specific jobs, and implements personalised, rational and feasible career training programmes, ensuring in-depth matching between the training plans and the needs for business and talent development.

To support specific career development training, the Bank actively provides resources guarantees, and strengthens the professionalism and relevance of the trainings. While refining the internal training and teaching system, the Bank introduces excellent external resources to help employees grasp industry trends and increase their knowledge and skills. The Bank deepens cooperation with external educational institutions such as universities to customise characteristic talent training programmes.



Job level examination system for professional and technical positions

The Bank has established an internal learning and examination system that covers all employees, making "learning and applying" the primary way for professional talent to advance in their positions. Based on a dual career path of management positions and professional and technical positions, the Bank systematically and comprehensively plans employees' career development paths, improves the position and job system, continuously optimises job promotion rules, highlights the important value of primary-level practice, and establishes a competitive selection mechanism based on performance and abilities. The Bank continuously improves the hierarchical job level examination system for professional and technical positions that covers all employees, and scientifically and reasonably establishes examination subjects that cover areas such as corporate finance, personal finance, risk management, and financial accounting, encouraging employees to continue to dig into their professional fields and continuously increase their core competence and professional quality. A total of 62 examination subjects have been set up across the Bank, basically covering all business lines, with examinees from all 37 branches, Head Office departments, directly affiliated institutions, audit operations, domestic subsidiaries and overseas operations. A special learning section has been established, collecting and sorting more than 600 sets of learning materials such as examination teaching materials, policy documents, work procedures, and operation manuals, with 6.295 million person-times learned in total. As of the end of May 2025, the Bank organised live-streamed pre-examination tutoring and training, invited internal and external experts to explain the key points of examinations and share learning and preparation tips, with 320,000 person-times learned in total; and organised job level examinations for professional and technical positions, with 1.356 million person-times participated in total.

Themed labour and skill contests for all employees

In order to stimulate employee motivation and promote capacity enhancement and growth development, the Bank adheres to the concept of "promoting training through competition" and regularly conducts themed labour and skill competitions targeting all employees. In 2024, the Bank successfully completed the "Making Contributions during the 14th Five-Year Plan · Advancing New Finance" labour competition and organised awards. We launched the "Five Priorities" labour competition, orderly advancing key skill competitions such as improving the comprehensive skills of outlet employees and enhancing the quality and efficiency of long-tail clients.

Training for personnel at primary-level outlets

The Bank focuses on improving the service work at primary-level outlets, consolidating the implementation of strategies and service quality improvements of outlets. The Bank continuously optimises the training mechanism for outlet operations directors, outlet client managers and outlet customer service managers, to improve the job adaptability of employees, effectively empowers and reduces their burdens, ensure service quality at outlets, and promote sustainable and high-quality business development.

Training programme for outlet operations directors

Focusing on the key contents of the routine work of outlet operations directors in business operation management and compliance operation risk control, the Bank systematically designs five module curricula covering management enhancement, risk prevention, service upgrading, competence improvement, and communication and sharing, etc., accurately fostering key capabilities in coordinated management, customer service, compliant operation and risk control, to improve the operation quality and efficiency of outlets. In 2024, 13 training classes at the Head Office were held, training 780 outlet operations directors in total.

Training programme for outlet client managers

The Bank adheres to the concept about digitalisation, specialisation and integration. The Bank deeply integrates the pain points of digital marketing and wealth management of outlet client managers, sets up three types of course modules, including leadership by Party building, business development and improvement of comprehensive literacy, and forms a full-chain learning mode that combines "special online section for learning, systematic offline training and post-training tracking and tutoring". Relying on the diverse learning paths, the Bank empowers the service team to standardise and upgrade the professional capabilities, effectively supporting the building of the team of outlet client managers, and contributes to the greater value-creating capacity of outlets. In 2024, 30 on-site training sessions were held, training 1,500 client managers and wealth management personnel in total.

Training programme for outlet customer service managers

Based on the daily work such as customer service, counter operation and outlet operation, the Bank builds a core course system. Using diverse ways like operation manual learning, microlecture learning, onsite training, focus livestream and pre-exam tutoring, the Bank improves outlet customer service managers the competence of their positions, risk awareness and professionalism. Meanwhile, the Bank continuously improves the functions of the special online learning section, builds a digital learning ecosystem and comprehensively supports for capacity enhancement needs of outlet customer service managers for exams, certification, improvement of abilities and exchanges. In 2024, a total of 25 Head Office-level training courses were held, covering 1,500 outlet customer service managers from 37 tier-1 branches.

Training of international talents

The Bank continues to promote the concept of international development, helps international and professional talents improve their abilities, builds a learning product system for "enhancing international competitiveness", and develops systematic and specialised foreign-related business learning products and tools, building an employee workforce with a global vision, professional skills, and international competitiveness. Based on the "CCB Learning" platform, the Bank establishes an "International Channel" section, providing employees dedicated to foreign-related businesses with a series of learning products, including international macroeconomic situations, the business environment and financial regulation of different countries and regions, and country-specific risks; and provides primary-level outlet employee with learning products such as "English service capability enhancement at outlets", helping them further improve comprehensive international service capabilities.

Training in collaboration with external institutions

The Bank focuses on enhancing the mechanism for training professional talent, actively integrates internal and external training resources, and enriches talent reserves for various business lines. In doing so, the Bank aims to strengthen employees' expertise, skills and service practice capabilities. Some case examples are as follows:

Talent type	Measures	Training results
Rural revitalisation finance talents	In collaboration with Zhongnan University of Economics and Law, Southwestern University of Finance and Economics, and Xi'an Jiaotong University, the "Build a Better Future" special study programme on enhancing county-level competitive capability was jointly developed.	Three "Build a Better Future" training sessions are going to be held in 2025, aiming to cultivate outstanding rural revitalisation finance talents and enhance the overall service capacity of rural areas.
International finance talents	The Bank developed the "Exploration Trip Learning Programme under the CCB Learning Programmes for Enhancing International Competitiveness", "Training Programme on RCEP Region-ASEAN Financial Connectivity" jointly with the Southwestern University of Finance and Economics. The move aims to continuously train talents dedicated to international finance, and help the Bank compete internationally.	In 2025, seven training sessions will be held for the Bank's employees to provide hierarchical and systematic professional training in international business.
Legal talents	The Bank collaborated with Zhongnan University of Economics and Law and leveraged its state-level key disciplines, state-level law experiment and teaching centre and other unique advantages to develop the "Learning Programme for Improving Authorisation Management Abilities".	One training session is going to be held in 2025, aiming to enhance the professional qualities and abilities in authorisation management of the personnel in the legal line across the Bank.

■ Graduate traineeship/internship programmes

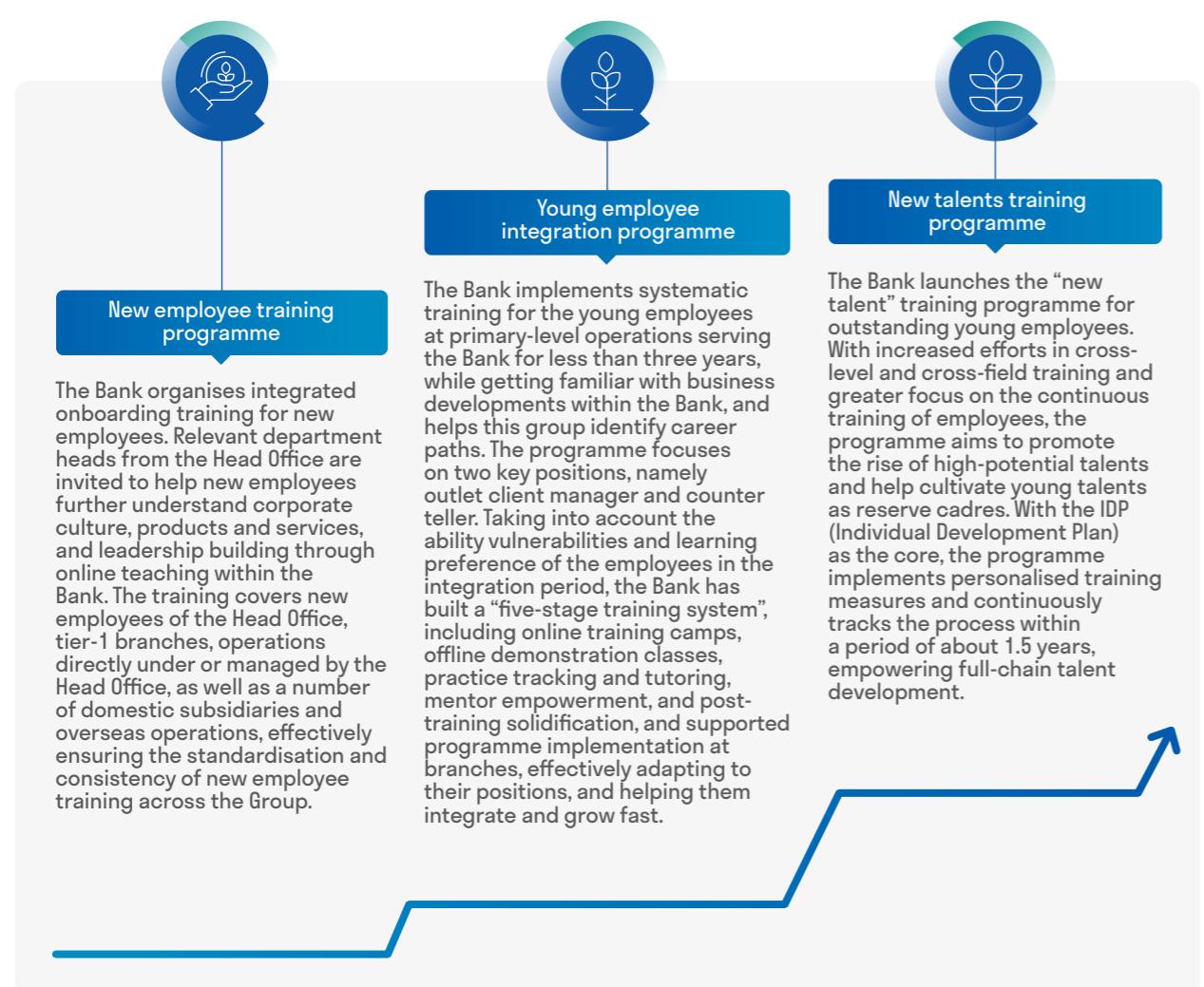
The Bank continuously strengthens the training for young talents with great potential, builds a comprehensive and diverse graduate training mechanism, helps graduates identify career paths, guides students to deeply explore potentials and broaden development horizons, builds a solid groundwork for career development, and develops with the Bank while better understanding the culture and the values.

“CCB Intern” internship programme

The Bank continuously carries out the “CCB Intern” summer internship programme, targeting the on-campus students of all universities and majors both at home and abroad. The Bank is committed to building a practical platform for college students to learn about banking operations in depth and experience the workplace. As of the end of the first quarter of 2025, internship opportunities had been provided to more than 70,000 college students, effectively helping students improve their professional qualities and adaptability. In addition, for students of the IT major, the Bank establishes a fintech-themed summer internship programme to provide opportunities to deeply engage in important work such as the fintech project research and development, big data analysis and application, and the building and operation of digital platforms within the Bank, helping students improve their understanding of the fintech field. “CCB Intern Star” selection and the “FinTech superstar” competition are held concurrently to provide campus recruitment policy support to outstanding performers. While enriching students’ internship experience, the Bank also builds a good talent pool for campus recruitment.

“Your Future with CCB” new employee training mechanism

The Bank full supports employees in their career development. By forging the “Your Future with CCB” new employee training brand, the Bank optimises and upgrades the training model backed by “onboarding training, integration follow-up cultivation, and new talents training”, the Bank empowers the growth of young employees in all aspects.



■ Supporting employees in obtaining occupational qualifications and academic degrees

The Bank continuously improves the training related to employees’ professional abilities and qualifications, implements a comprehensive programme supporting professional qualification certification for all employees (including workers dispatched from labour leasing companies), offers adequate professional resources, support employees to improve their personal professionalism, pursue higher academic degrees, deepen study of enriching knowledge and strengthen their competitiveness. Meanwhile, the Bank actively carries out the internal qualification certification system, accurately assessing employees’ professional abilities. Also, the Bank continuously encourages employees to participate in the grade exams for professional technical positions, helps employees to strengthen their professional literacy and skills, realising the common development of people and enterprises.

Establishing an internal qualification certification system

The Bank continuously improves the self-developed training system for the certification of wealth management professionals, and, via the “CCB Learning” platform, to set up systematic qualification certification courses and an online learning section, providing resource guarantee for relevant talent certification training. As of the end of the first quarter of 2025, the Bank had cumulatively trained and certified 137 thousand “China Construction Bank Financial Planner (CUFP)” professionals. To further enhance the professional literacy and service abilities of outlet customer service managers across the Bank, the Bank launched a qualification certification system for outlet customer service managers, independently developed initial, intermediate, and advanced qualification certification courses for outlet customer service managers, and efficiently organised learning through the online platform. As of the end of the first quarter of 2025, a total of 69 thousand employees had been certified as outlet customer service managers.

Supporting employees in obtaining external professional qualification certifications

The Bank advocates the continuous enhancement of employees’ professional competence and strongly supports all employees in obtaining external professional qualification certifications. For professionals in related fields, such as client managers, wealth consultants, and compliance managers, the Bank provides unified support of examination fees for those who have taken and passed the tests for professional qualification certifications, such as Certified Public Accountant (CPA), Chartered Financial Analyst (CFA), CFA ESG Investing, Financial Risk Manager(FRM), Associate Financial Planner (AFP), Certified Financial Planner (CFP), Certified Tax Adviser (CTA), Corporate Finance Consultant (CFC), Certified Treasury Professional (CTP), Certified Private Banker (CPB), Certified Anti-money Laundering Specialist (CAMS), etc. Under equal conditions, they will be given priority for professional and technical job positions. The Bank annually organises employees to participate in international anti-money launderer qualification certification. As of the end of the first quarter of 2025, the Bank had recorded over 2 thousand trainees with international anti-money launderer certificates.

Additionally, the Bank collaborates with universities at home and abroad to conduct a number of professional certification training programmes, to help employees obtain professional qualification certifications, and encourages and supports employees to strengthen their professional knowledge system and enhance their job competence through professional learning platforms. The Bank carries out the “Data Analyst Certification Training Programme” jointly with the University of Hong Kong. As of the end of the first quarter of 2025, a total of 218 trainees had passed all the assessments under the programme, and had received the professional qualification certificates certified by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications.

Launching academic degree programmes for employees

The Bank encourages employees to improve their professional literacy and practical abilities in the financial field. Also, the Bank collaborates with colleges and universities and other institutions on academic degree programmes for employees, leveraging their resources to broaden employees’ horizon, deepen their understanding of professional knowledge, and enable them to achieve long-term career development. As of the end of 2024, 82% of the Bank’s employees had a bachelor’s degree or higher. In addition, the Bank cooperated with the Hong Kong University of Science and Technology to launch the “financial technology talent professional master’s programme”, to provide Group’s employees with a one-year full-time further learning opportunity. As of the 2025 academic year, a total of eight employees had enrolled.

The Bank continues to build the Post-doctoral research workstation, and got the approval for independent recruitment of Post-doctors in 2022. The Post-doctoral research workstation consistently follows the training concept of “research for application, talent to full potential”, builds a talent incubation system covering the whole chain from “recruitment, cultivation, retention and utilisation”, and forms a positive cycle of “strategic research - translation of results - talent supply”. With the trained talents supplied to Head Office departments, tier-1 branches, key sub-branches, and subsidiaries, the Post-doctoral research workstation has fostered a contingent of interdisciplinary talents with both academic attainments and practical abilities for the Group’s high-quality development. The workstation had recruited and trained nearly 100 Post-doctors; over the past three years, 27 Post-doctors had entered the workstation, and 24 Post-doctors had successfully completed their training programmes and left the workstation.

■ Leadership development training

The Bank continuously optimises the leadership development mechanism for employees at all levels of positions, enriches the support of leadership training resources, and systematically strengthens the management capabilities of employees. The Bank has implemented succession plans for key positions to ensure the continued stability of the talent team, grow the reserve of management talent at all levels, and ensure the resilience of sustainable development.

Building the core courses system for leadership training

The Bank thoroughly implements the key instructions and spirits of General Secretary Xi Jinping and the decisions and plans of the CPC Central Committee, formulates and actively implements the *Opinions on Strengthening and Improving Talent Work in the New Era*, to align the abilities of leaders at various levels with the Bank's needs for high-quality development. While steadily advancing business development, the Bank closely aligns with the requirements on improving the competencies of leaders and systematically drives the building of a core courses system for leadership training. In terms of course development, the Bank strives to create a training courses system with distinctive characteristics and strong relevance. In the Party building field, the Bank develops a series of themed courses, including those about Marxist theory, Party rules and disciplines, Party history education, and the financial culture with Chinese characteristic, and works on a complete courses system for theoretical education and Party spirit education, effectively giving play to the primary role of the Party school in education. In the leadership training field, the Bank innovatively adopts teaching modes including experiential and case-based teaching modes, develops situational simulation courses such as the *Leadership Simulation Cabin and Starting the "Journey" - Practical Training Camp for New Presidents* under the challenges and pain points facing different targets in different scenarios. Through carefully designed practical scenarios and diversified teaching methods, the Bank helps leaders systematically enhance their management thinking and leadership abilities and master management skills. Through these efforts, the Bank continuously advances the formation of a courses system covering three dimensions: self-management, team management, and business management, providing strong leadership support for the Bank's high-quality development.

Leadership training for front-line management personnel

The Bank pays great attention to the empowerment of frontline managers and continuously strengthens leadership training support to help improve the management ability of employees, forming a three-tier advanced leadership training system of "outlet heads, heads of county sub-branches, heads of tier-2 branches".

Learning programme to boost the abilities of outlet heads	Learning programme to boost the abilities of heads of county sub-branches	Learning programme to boost the abilities of heads of tier-2 branches
<p>Based on training requirements, the targets of training covered newly appointed outlet heads, part-time lecturers for outlet heads, and reserve talents for outlet heads. Standard course systems have developed for each type of training targets. Diverse training forms, including livestreams, online training camps, offline centralised training, and door-to-door teaching, were available, to better meet the demand of tier-1 branches for the regular training of outlet heads. Meanwhile, the Bank pays attention to the personalised needs of branches, applies a variety of learning techniques such as experience extraction, manual development, performance improvement, action learning, etc., customises the design of consulting projects, forms a specialised training model for outlet heads, and creates a model for outlet head training projects. As of the end of May 2025, a total of 21 training courses had been conducted, training 1,191 outlet heads and reserve talents.</p>	<p>Heads of county sub-branches play an important leading role in the business development of county-level institutions. The Bank continues to carry out the comprehensive competency enhancement learning programme for heads of county sub-branches, which is based on the competency model of heads of county sub-branches and aims to enhance the group's competency in five areas: Party building, strategy promotion, business operation, team leadership and risk control. The programme follows the characteristics of adult learning spiral, comprehensively using learning forms such as experience extraction, benchmarking field studies and on-site lectures by experts, with performance improvement as the goal, and designing a closed learning loop of "Learning-Thinking-Practising-Enlightenment" with the end as the beginning to help the development of county business and the enhancement of the capacity of heads of county sub-branches.</p>	<p>The heads of tier-2 branches are the core force driving the Bank's strategy implementation and sustainable business development. Through the case teaching mode of combining training and combat, the program invites the Bank's heads of tier-2 branches who have outstanding performance in operation and management, innovation and change to share and exchange their practices, and analyse the operational strategies based on real cases. In addition, the program focuses on inspiring participants' thinking, organising them to carry out knowledge extraction and case writing, linking leadership knowledge points with scenarios and cases, combining business practice with theoretical knowledge, and promoting the internalisation of knowledge into competence by means of leading cadres on the podium, subject research and action learning workshops.</p>

Key position succession system

The Bank continuously optimises the overall planning and systematic layout of talents, enhances the construction of the senior management team at all levels of operations, and fully explores, cultivates and selects outstanding young talents, so as to inject vigorous strength for long-term stable development. The Bank actively optimises the career development path of employees, builds a clear job position system, and formulates and implements succession plans for management personnel. The Bank implemented talent training programmes for heads of primary institutions, heads of secondary branches, heads of county-level institutions, and heads of outlets. For the young employee group, the Bank has systematically improved the whole chain mechanism for the selection, training and management of management personnel, and clarified the target ratio of young management personnel to be permanently equipped at the management level. The Bank has continuously carried out diversified management work centred on succession systems for key positions.

Policy and system construction

The Bank attaches great importance to the construction of the key position succession mechanism and formulates policies and systems such as the *Implementation Plan for the Cultivation of Outstanding Young and Middle-aged Cadres* and the *Management Measures for Specialised Talent Pool Building*. These policies and systems specify the criteria for the selection standards, training plans, file management, and assessment of successors, standardise the succession process and successor management, and further consolidate the foundation for the Bank's work related to "selection, cultivation, management, and utilisation". Meanwhile, the Bank keeps track of changes in laws and regulations, regulatory policies, and relevant internal rules and regulations, and promptly reviews and updates related policies based on actual needs. The focus of system review and update lies in meeting internal and external compliance requirements and ensuring implementation effects. The update processes cover steps such as collecting internal and external requirements, drafting and revising contents, soliciting opinions from stakeholders, and review and approval, etc. After being revised and going through the Bank's internal deliberation and decision-making procedures, the systems will be released and implemented across the Bank.

Implementing the supporting mechanism

The Bank focuses on the training of succession candidates for key positions, implements management succession plans, standardises and optimises the succession management process, and strengthens the talent guarantee for the Bank's sustainable development and stable operations. The Bank's Management takes part in and guides the succession work for key positions and supervises its effectiveness. The HR Department of the Head Office is responsible for execution, and heads of business departments take charge of successor management in a coordinated manner.

The Bank regularly analyses team composition and personnel demands, and identifies the mobility risk associated with the employees in key positions. For the key positions exposed to high mobility risk, the Bank summarises the professional skills required by specific positions based on the characteristics of such positions, defines selection criteria, works out detailed successor training plans, and searches potential successors suitable for the positions. Furthermore, the Bank implements a rigorous and fair selection mechanism to select the promising and competent successor candidates for the succession cultivation plan. Also, successor files and a successor assessment mechanism are established to regularly assess the candidates' performance and abilities. The results will be used as a major basis for appointment to ensure the successors most suitable for the positions are selected.

The Bank reviews the successors annually, with a focus on their performance, assessment results, comments and the proficiency of their skills needed for the positions, and tracks to review them continuously. These efforts ensure the successors for key positions are competent for the positions and the succession process is fair, just and effective.

■ Carrying out joint talent cultivation programmes partner with educational institutions

The Bank continuously strengthens the partnership with educational institutions, including the first-class universities like Peking University HSBC Business School, Beijing Foreign Studies University and Shanghai International Studies University, forming a joint cultivation mechanism with the Bank's characteristics, which provides employees with extensive learning and exchange opportunities while cultivating financial talents with excellent talent and professionalism, and realising the high-quality development of the professional talent echelon.

The Bank develops and implements joint cultivation programmes together with prestigious universities at home and abroad, with the aim to foster and improve the professional capacity and comprehensive quality of the talents in key positions. In cooperation with Xi'an Jiaotong University, the Bank launched a two-year minor training programme called the "CCB Financial Technology Elite Class" to cultivate interdisciplinary talents with insight into emerging and cutting-edge technologies and a solid foundation in the financial discipline. The programme enrolls the undergraduate, graduate, and doctoral students majoring in science and engineering at Xi'an Jiaotong University annually. After completing the programme, the students can obtain bachelor's degrees in economics and relevant certificates. As of 30 June 2025, a total of 115 students had completed the programme. The Bank collaborated with the Hong Kong University of Science and Technology on the "financial technology talent professional master's programme", which provides the Group's staff with the opportunity to pursue full-time studies for a period of one year.

Non-pay Benefits

The Bank always adheres to the core concept of “people-oriented”, attaches great importance to the protection of employees’ rights and interests, practices employee care, builds a non-pay benefits system covering all employees (including workers dispatched from labour leasing companies), fully meets the diversified needs of the employees, and creates a good corporate atmosphere of equality, unity, harmony and love to achieve the progress of the people and the enterprise together.



Safeguarding rest and leave rights

The Bank attaches great importance to and effectively protects the rest and leave rights of all employees (including workers dispatched from labour leasing companies). The Bank provides paid annual leave, home leave, marriage leave, funeral leave, maternity leave, breastfeeding leave, sick leave, work-related injury leave, personal leave, special leave for public duties and some other types of leaves, seeks opinions and suggestions from employees, constantly improves relevant benefits, and timely updates and improves rules and regulations on extended maternity leave, paternity leave, parental leave, nursing leave, etc., in accordance with local policies and regulations, establishing a harmonious and warm corporate atmosphere.

Providing employees with insurance and supplementary medical insurance

In effective accordance with state policies, the Bank makes full contributions to basic endowment insurance, basic medical insurance, unemployment insurance, work-related injury insurance and maternity insurance, as well as the housing provident fund. The Bank also establishes an enterprise annuity plan and a supplementary medical insurance plan for all employees, with the latter mainly including commercial group medical insurance. In addition, the Bank additionally provides employees with a platform for group purchase of cost-effective health insurance products, and contacts social security organisations to provide maternity allowance application services for female employees, forming an all-round and multi-disciplinary medical protection system.

Caring for employees' physical and mental health

Employees' physical and mental health is an important guarantee for achieving sustainable development. The Bank always implements health care for employees in their work and life, urges employees to have health check-ups regularly to identify potential health problems in time. The Bank provides health check-up benefits for all employees every year. The Bank pays consistent attention to employees' mental health, actively provides employees with mental health services, and organises a variety of activities to relieve their mental stress, such as giving mental health lectures, offering hotline services, and building a talent team dedicated to promoting mental health. As of the end of the first quarter of 2025, the Head Office provided the employees at the Head Office with 44 hours of one-on-one mental consulting services.

Caring for female employees

The Bank cares for female employees, comprehensively advancing the implementation of relevant measures in multiple dimensions such as system support, cultural facilities, and practical assistance. The Bank actively facilitates the implementation of the collective contracts for the protection of female employees' rights and interests, conducts equal consultations on key concerns such as salary distribution, rest and leaves, education and training, career development, protection during “menstruation, pregnancy, perinatal and lactation periods”, and other benefits, achieving the synchronous advance of work related to the consultation, signing and performance across the Bank. The Bank organises the reading and writing activity themed “Rose Fragrance and Joyful Reading”, continuously invests funds to build “Care Rooms for Female Employees” with primary-level operations across the Bank, creating a cultural brand for female employees and enriching the services for female employees. In addition, the Bank actively guides the labour unions of primary-level operations to establish a mechanism supporting female employees in difficulty, focusing on strengthening care and support for groups such as the female employees who raise children as single parents. Among them, the “paired assistance” model adopted by the Shaanxi Branch produced remarkable results, and was shared as a typical case at the work experience exchange meeting for female employees in the labour unions of the financial sector, serving as a useful reference for the Bank's assistance work targeting female employees.

Refining the employee mutual aid system

The Bank continues to improve the employee mutual aid system, fully responds to the “mutual aid mechanism”, “one heart plan” and other policies, focuses on addressing employees' urgent and special needs, and drives the effective implementation and tangible results of various aid measures. The Bank actively carries out special aid programmes, in 2024, allocating RMB500,000 to support the Hainan Branch in typhoon relief endeavours, and earmarking RMB7 million for the purchase of oxygen-generating devices for the special working environment of operation outlets in high-altitude areas such as Qinghai and Xizang, effectively improving the employees' working and living conditions.

The Bank is dedicated to creating a unique and warm-hearted labour union brand, continuously promotes the construction of staff homes and staff family units, always putting staff at the core and focusing on addressing their most pressing concerns, which include enhancing staff rest areas, fitness facilities, and stress-reduction provisions, as well as developing activity rooms and activity corners. In 2024, the Bank allocated a special fund of RMB2.5 million to support the establishment or upgrading of 100 staff family units among primary-level operations, significantly enhancing the employees' sense of gain and happiness by improving their working and living environment.

Normalised caring activities on festivals

The Bank persists in launching normalised caring activities on festivals, focuses on visiting and consoling employees in difficulties, front-line employees, and employees in special posts during key holidays including the New Year's Day and the Spring Festival, and gives particular attention to employees or their families who live in difficulties because of critical illness, work-related injuries or death, and disasters. Meanwhile, the Bank increases visits to the officials dispatched to other areas for training, poverty alleviation or exchanges, as well as the officials and employees, model workers and skilled talents at primary-level operations, in old revolutionary base areas, areas with concentrations of ethnic minorities, border areas, and areas with relatively high incidences of poverty, or still working during festivals, ensuring the caring activities cover all employee groups. During the New Year's Day and the Spring Festival holiday of 2025, the Bank raised money and materials worth over RMB48 million, visited 9,279 operations and outlets, and visited more than 96 thousand person-times, including those in difficulties and officials dispatched to other areas, provided the employees in difficulties with assistance related to life and medical treatment, ensuring the effective implementation of caring measures and enhancing employees' sense of belonging.

Diverse cultural and sports activities

The Bank actively supports employees to develop their interests and hobbies after work, and carries out diverse cultural and sports activities regularly, enriching employees' life after work. Combining with employees' interests and feedback, the labour unions of various levels across the Bank organise a variety of personalised cultural, sports, reading and writing, publicity and display, and public welfare activities, to boost teams' vitality. In 2024, the headquarter labour union organised cultural and sports activities for employees, including the “Striving for Seventy Years, Celebrating the Great Achievements” employee calligraphy and photography exhibition to celebrate the 70th anniversary of the establishment of China Construction Bank, and the “Striving for Seventy Years, Building Towards the Future” Seventh Employee Badminton Competition across the organisation, demonstrating employees' vigour and building the momentum for the Bank's development. The “Outlet Employee Festival” was held as ever across the Bank, continuously enhancing the sense of happiness among employees at primary-level operations.

Strengthening Democratic Management

The Bank consistently commits to protect employees' legitimate rights, continuously improves the democratic communication mechanism, intensifies performance assessment, and actively establishes mechanism for communication with employees on performance. The Bank expands the channels for democratic communication, encourages employees to provide feedback commutation, and highlights the protection of employees' privacy and safety. The Bank conducts extensive surveys about employee satisfaction, obtains employees' opinions and suggestions, and continuously improves internal management, fostering a democratic, equal and open corporate atmosphere.

■ Regular performance appraisals and feedback

The Bank has established a performance management system that covers all employees, and continuously improves the regulations and policies about performance management, enhances requirements on assessment methods, processes and results feedback, and unifies the orientation for performance assessment. After going through democratic procedures, including soliciting opinions and suggestions from employees and holding employee representatives' meetings or general staff meetings, operations of various levels formulate assessment methods and release them to all employees, to make sure employees fully understand assessment contents and relevant requirements, and ensure that the performance assessment is fair, open and transparent. The Bank implements a regular assessment mechanism, which mainly comprises quarterly and annual assessments of employees. Annual assessment is based on the results of quarterly assessment, so as to integrate long-term assessment and short-term assessment.

The performance assessment process mainly consists of the following four steps:



■ Reporting of employees' opinions and grievance

The Bank always emphasises on listening to employees' voice, establishes diverse channels to seek employees' opinions, and encourages employees to speak their minds. The Bank is committed to building an opinion feedback mechanism for employees of all levels. These channels include staff representative meetings and the voice of experience (VOX) platform. The Bank utilises diverse channels including official websites, internal notices, emails and internal communication tools to publicise the channels among employees and advocate active engagement by employees.

Employees are allowed to submit opinions anonymously and strict regulations are in place to govern the authorisation and access to employees' personal information and feedback. The Bank strictly adheres to information confidentiality requirements throughout the feedback handling process and strictly controls data retention time to ensure the security of employees' personal information. The Bank pays great attention to employee feedback regarding labour rights and development opportunities, including opinions and suggestions on career development, labour relations, remuneration and benefits, labour safety, rest and leave, skill training, etc. The Bank supports employees in expressing their opinions and suggestions via email, internal communication tools, employees' communities, mailbox, etc. The departments responsible for the feedback channels, such as labour unions and human resources departments, periodically handle and reflect employees' opinions and suggestions, ensuring the continuous flow of communication. These efforts ensure employees' feedback to be effectively implemented and responded to.



Employee representatives' meeting: The Bank has established a corporate democratic management system with the employee representatives' meeting as its basic form. The Bank continuously deepens the multi-tiered system of employee representatives' meetings within the Group, and promotes it to cover all tier-2 branches and sub-branches and above. By carrying out diverse activities like "employee representatives visiting primary-level operations", the Bank constantly expands and enriches the channels for democratic participation, and motivates employees across the Bank to deeply engage in the Bank's decision-making management and supervision process through employee representatives' meetings and other forms of democratic management. This aims to enhance employee representatives' abilities to perform duties and build harmonious labour relations characterised by shared advancement, mutual benefits and win-win outcomes. Meanwhile, the Bank always regards labour unions as bridges linking the Party and employees, continuously improves the election mechanism of the labour union member representatives' meeting and labour unions, implements the proposal solicitation and handling mechanism, and seeks employees' opinions in diverse ways to promote the democratic, standardised and law-based development of labour unions. The Bank builds a mechanism that facilitates the expression of opinions by members, improves their engagement in and satisfaction with labour union affairs, and advances democratic corporate management. In December 2024, the sixth employees' representative meeting and the first meeting of the fourth members' representative meeting of the China Construction Bank was held. These two meetings were effectively connected, and the meeting passed relevant review and voting items as well as the election and consultation of the new labour union committee leadership. All agendas were completed efficiently and satisfactorily.



Voice of experience (VOX): The Bank innovatively develops the voice of experience (VOX) community and continues to put it into operation, forming a convenient channel for employees to participate in the Bank's management from the bottom up and effectively obtaining employees' feedback. All outlet employees are encouraged to express themselves anonymously or with real names in the "VOX community". The opinions presented are analysed, sorted and supplemented by the back-office support team. The Bank fully respects the privacy of employees, and the information of employees who choose to use their real names is visible only within the community. This information will not be disclosed outside the community without the consent of the employees themselves, ensuring the security of employees' personal information.

The Bank strictly implements the closed-loop management mechanism of "collect-sort-solve-track-feedback" of the "VOX community", ensuring the reflected problems are effectively addressed. The Channel and Operation Management Department of the Head Office is responsible for leading and coordinating related matters. After the opinions are analysed and categorised, different types of problems will be forwarded to relevant departments for in-depth analysis, and the progress in addressing these problems is continuously tracked and supervised. After experience-related problems are solved, results will be provided to employees in time. When necessary, further comments from employees will be sought. Additionally, in order to improve the efficiency of problem resolution, a cross-department green channel has been in place, ensuring quick response and coordination of information among various departments to jointly address the problems encountered by employees. Through the "VOX community", the Bank effectively enhances employees' working experience and boosts their satisfaction and sense of belonging. As of the end of the first quarter of 2025, the Bank had collected and organised a total of 5,602 typical problems raised by employees through "VOX community" since June 2020, above 95% of which had been resolved or are being dealt with, winning wide praises from employees.



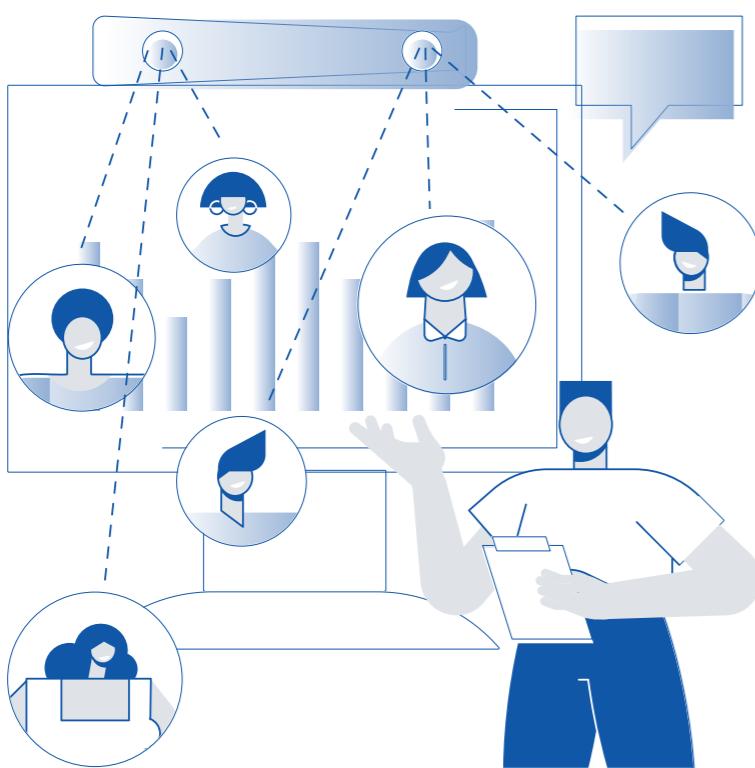
"Love-Home Harbour" advice column: "Love-Home Harbour" is one of the platforms for employees across the Bank to take part in democratic management and contribute ideas on the Bank's development in all respects. It is also an essential channel for the Bank to follow employees' needs and provide care for employees' development. Employees are allowed to share opinions and express their demands through the information portal or administrative process management system login platform. The designated personnel collected and organised the feedback and submitted the feedback to relevant departments for handling, and the whole process is supervised by dedicated individuals, ensuring that all employee opinions could be responded in a timely and effective manner, thereby removing the last crucial hurdle to the democratic management demanded by employees at primary-level operations.

■ Employee satisfaction survey

The Bank implements an employee satisfaction survey mechanism, taking it as an important way to listen to employees' voices and optimise management decisions. On the basis of summarising the survey experience in previous years, the Bank carries out multi-dimensional satisfaction surveys in diverse forms among employees in all positions of the Bank every year, covering key areas such as the working environment, career development, and compensation and benefits. Through the survey, the Bank gains a deep understanding of employees' demands and suggestions, and further conducts systematic analysis and summarisation of the survey results, providing an important basis for the Senior Management to formulate human resources policies. Targeting the problems frequently reflected by employees, the Bank actively studies and develops improvement measures to address the challenges employees face, effectively protecting employees' rights and interests.

The Bank places great importance on employee concerns and expectations, conducting employee satisfaction surveys annually across the Bank based on the results of satisfaction surveys and analyses in previous years to gain in-depth understanding of the practical problems which employees face in their work and suggestions for improvements in their work areas. The scope of the survey covers all employees across the Bank, involving topics of career development, training and cultivation, remuneration and benefits, strategic identity, corporate culture, working environment and other issues related to employees, so as to comprehensively understand the true feelings and career experience of employees. The results show that employees are generally satisfied with their current jobs, and employee engagement and strategic recognition are over 92%.

Based on the results of the employee satisfaction survey across the Bank, the Bank systematically conducts data analysis and problem research and judgment, focuses on identifying employees' core concerns and areas to be improved, while tracking and evaluating the implementation effects of previous improvement measures. Through in-depth analysis, the Bank makes clear key improvement directions including the cultivation of fintech talents and policies on employees' rest and leave, continues to advance the implementation of policies concerning the optimisation of primary-level employees' career development and giving priorities to frontline employees in terms of compensation, and strives to build a closed-loop management system for problem feedback, identification and resolution, effectively enhancing employees' sense of gain, happiness and security. In addition, based on the opinions and suggestions of the survey among primary-level operations in 2024, the Bank studies and formulates the *Key Points of the Primary-Level Outlet Employee Caring Project in 2025*, proposes and promotes 24 measures in multiple aspects such as career development, physical and mental health caring, rights and interest protection, compensation and benefits, and burden reduction and empowerment, to further deepen the support for employees at primary-level outlets.



Protecting Consumer Rights

The Bank adheres to the value concept of putting people at the heart and strictly observes regulatory requirements. Based on the requirements of business development strategies, the Bank works to form a new landscape for comprehensive consumer protection and build itself into a "domestically leading and world-class" benchmark for the protection of financial consumers' rights. The Bank implements the *Work Plan for the Protection of Consumer Rights (2023-2025)*, practises the general ideas for consumer protection work, actively reviews the progress of work at each stage, and forms an active, standardised and intelligent consumer protection management system that covers all levels, employees and processes.

The Bank has established an integrated consumer protection management system, continuously refines the management model characterised by clearly defined responsibilities and coordinated efforts among all, and incorporates the concept about consumer protection and customer services into all businesses and processes. The Bank promotes the shift of consumer protection work from resolving problems to creating values, and changes the traditional approach increasingly into a digital and intelligent one, so as to forge the core competitiveness of customer service backed by consumer rights protection. The Bank continues to maintain the industry-leading capacities in consumer protection management, fully protects the rights and interests of clients, and jointly practises the core value of consumer protection.

The Bank strictly implements the requirements specified in the *Consumer Rights Protection Audit Management Measures*, and continuously strengthens the mechanism for supervising work related to consumer rights protection. The audit department organises special audit teams and audit agencies annually to conduct consumer protection audit, which covers the performance of duty in consumer protection across the Bank, pays attention to the construction of consumer protection management systems and mechanisms, the standardisation of marketing and recommendations, the traceability of sales practices, and the rectification of complaint management and issues identified internally and externally. The Bank's Related Party Transaction, Social Responsibility and Consumer Protection Committee regularly listens to the results of consumer protection audit situation reports, and urges rectifications to produce substantial results. In 2025, in accordance with the annual internal audit plan, a special audit on consumer protection was carried out, covering the Head Office and nine tier-1 branches.

Trainings on the Protection of Consumers' Financial Rights and Interests

■ Institutional requirements

The Bank actively organises comprehensive trainings on consumer protection to strengthen all employees' awareness and abilities in the area of consumer protection responsibilities and ensure the orderly development of consumer protection. The Bank developed the *Management Measures for Education and Publicity on Consumer Rights Protection*. The policy standardises the forms, contents and duties of employee training on consumer protection as well as matters worth attention. It requires all levels of operations to organise specialised training on consumer protection within respective jurisdiction at least once a year and the annual training organised by the Party committee central group to include at least two sessions on consumer protection, and suggests proper increases of training frequencies for the business positions prone to financial consumer complaints and higher risks.

■ Trainees

The Bank strictly requires all employees related to client at all levels of operations across the Bank to annually join consumer protection training, which covers all middle and senior management staff, business personnel at primary-level operations, employees dedicated to consumer protection and newly recruited employees, fully ensuring that they can understand and effectively practise the concept about consumer protection in practical business process. For outbound call related personnel across the Bank, annual training on consumer protection is organised under themes like policy interpretation and risk control, to continuously improve their awareness of consumer protection responsibilities and professional literacy, and protect consumer rights.

■ Training methods and contents

The Bank has established a variety of training programmes on consumer protection, combining online and offline approaches, for all employees, including special training on consumer protection, training embedded in business lines, daily trainings at outlets, online training via internal platforms, and Party committee central groups learning. The contents of training mainly include national laws, regulations and the Bank's policies about consumer protection, as well as the developments of consumer protection and operation & management approaches. Such training covers various aspects including complaint management, consumer protection review, consumer protection education and publicity, consumer protection assessment, client information security, regulation of marketing and publicity activities, appropriateness management, information disclosure, traceability of sales behaviours and debt collection. In addition, the Bank fully relies on digital advantages to build the online course system on consumer protection, carries out the "Colourful Consumer Protection, Intelligent Classroom" for five consecutive years through the "CCB Learning" platform, publicises courses on consumer protection knowledge and excellent cases of branches, and forms the standardised and distinguished characteristic consumer protection course system. As of the end of the first quarter of 2025, the Bank had released a total of more than 660 courses that recorded a total of over 6.689 million person-times learned. "Colourful Consumer Protection, Intelligent Classroom" themed course-making campaign has been accredited by the Department of Adult Education, Ministry of Education as a certified curriculum system.

■ System support

The Bank continuously optimises and refines the features of consumer protection training system. The Bank requires the Head Office departments, tier-1 branches and tier-2 branches (sub-branches) to organise special consumer protection training, "embedded" training for business lines and Party committee central group training through a combination of online or offline methods, and enter training information in the system providing and organise to count training times and participants and establish a good consumer protection training data statistics mechanism, urging relevant work to be advanced in an orderly manner.

■ Work progress

The Bank continues to steadily promote consumer protection training. In 2024, all levels of the Bank have organised 21,700 consumer protection-related training sessions, with a total of 2.389 million person-times trained. Among them, 15 consumer protection-related departments at the Head Office level worked together to promote and conduct 282 special training sessions, covering 151,000 person-times; 37 branches actively implemented and organised 21,400 training sessions, covering 2.238 million person-times. In the first half of 2025, the Bank continued to carry out consumer protection training for all client-related employees, and advanced diversified consumer protection training and capacity-building work according to staff positions and business lines.

Case: "Wanbao Sign Language Classroom" innovates consumer protection training practice



Based on the characteristic model of "Caring Station + Barrier-free Service", the Bank combines the financial service needs of hearing-impaired clients to create innovative special training projects for sign language services. The Head Office, in conjunction with the Beijing Sign Language Research Association and the Inclusive and Retail Training Institute of the CCB Training Centre, developed the "Wanbao Sign Language Classroom" series of video courses (Phase 2), covering practical skills such as sign language service expression, and promoted online through the "Cultural CCB" WeChat public account, CCB Learning and other platforms, and simultaneously organises sign language learning activities in all business outlets of the Bank, significantly improving the sign language communication ability of branch employees and improving the barrier-free service level of branches.

■ Product and Service Review

The Bank continuously improves the product and service review mechanism. The Board and the Management faithfully perform their duties to oversee product and service review, formulate and supervise the implementation of relevant policies and rules. The Bank actively deepens product risk evaluation and review, strictly observes pre-launch review requirements, and strengthens product quality and safety supervision so as to fully guarantee the rigorous compliance of products and services and ensure that client rights are not harmed.

■ The Board and its special committees

The Bank's Board reviews the strategies for product and service innovation as well as the risk management policies adapted to them, and supervises and reviews the execution of relevant strategies and policies. The Board's Related Party Transaction, Social Responsibility and Consumer Protection Committee supervises and guides consumer protection work related to product and service review, and pays consistent attention to matters related to consumer rights protection. The Board's Risk Management Committee supervises and guides the work related product and service innovation review and risk control, and regularly listens to reports on product innovation management.

In the first half of 2025, the Board's Related Party Transaction, Social Responsibility and Consumer Protection Committee actively performed the duty in overseeing product and service review. The committee reviewed the *Proposal on the Consumer Rights Protection-Related Work in 2024* and the *Work Plan Report in 2025*, listened to and discussed the Report on the *Notification of Client Complaints in the Banking Industry* and the *Report on Audit of Consumer Rights Protection in 2024*, focusing on the quality and efficiency of complaint response, monitoring over complaint data, and problem analysis, tracing and rectification, required continued improvement of the consumer protection mechanism, and drove the implementation of consumer protection requirements across business processes. The Board's Risk Management Committee listened to and discussed the *Report on Product Innovation Management in 2024*, reviewed the Bank's business innovation achievements, risk control mechanisms and measures applied during the innovation process in 2024, provided guidance on strengthening the identification and management of emerging risks, improving the product lifecycle management mechanism, and tightening the requirements for risk assessment and review of innovative products.

■ The Management

The Bank attaches great importance to the protection of consumer rights and interests, regards consumer protection review as a key measure for the full process control of consumer rights and interest protection, and continuously strengthens the digital empowerment and professional capacity building of the review work. At the same time, the Bank promotes the deeper integration between consumer protection review and operations, thereby avoiding harm to consumers' legitimate rights at the source.

In order to effectively protect the rights and interests of consumers, the Bank implements full-process, multi-dimensional review and control of all client-oriented products and services of the Bank, requiring all products and services to undergo comprehensive and detailed consumer protection reviews, discovers and corrects potential risk points in product design and service processes, and eliminates hidden dangers that may harm consumer rights in a timely manner. The scope of review covers all aspects of the product life cycle, including but not limited to the product design stage, formulation of rules and regulations, establishment of business rules, agreement and contract terms, product manuals, risk warnings, pricing strategies, customer service guidelines, announcements, marketing and promotional materials, continues to strengthen consumer protection reviews in areas of consumer concern and regulatory focus, including personal information protection, suitability management, product risk disclosure, the authenticity of marketing and promotions, and the fairness of contract terms, achieving full coverage of consumer rights protection in the business process. The Bank has established a digital and intelligent platform for consumer protection review, launches the AI-enabled feature of consumer protection review, uses AI to analyse consumer protection review materials and generates preliminary review results, enhancing the digitisation of the consumer protection review process. As of the end of May 2025, the Bank had completed 167,400 consumer protection reviews and put forward 74,600 review opinions.

Additionally, to effectively avoid the potential risks associated with new products or services, the Bank's product R&D department has established a complete review mechanism to conduct risk evaluation and review of new products or services before their launch. Meanwhile, departments related to risk control, compliance, consumer protection and legal affairs, etc., join the review as well, responsible for confirming whether the reviewed products or services meet the requirements for launch. The new products or services that have not been reviewed as required shall not be launched. This ensures all the launched products or services meet the industry's regulatory requirements and the Bank's policies and rules. In the first half of 2025, the Bank completed consumer protection reviews for 54 new proprietary products.

Loan Contracts Modification

When signing loan contracts with clients, the Bank pays great attention to the protection of consumer rights. The Bank also focuses on the evaluation of clients' financial status and ability to fulfil contracts, and provides clients with reasonable and appropriate loan contract modification options, on the basis of fully understanding clients and actively helping them address practical, reasonably adjusts credit lines granted to clients, and offers them easier and more efficient access to loan products and services.

Management mechanism

The Bank formulated the *Loan Contracts Modification Policy Overview*, specifying in detail the applicable conditions, options and notification channels for loan contract modification. The Bank's Consumer Protection Committee is responsible for supervising work related to loan contract modification and reviewing the execution of relevant policies. The Head Office is responsible for establishing a complete loan modification management system, and formulating and improving relevant policies and systems. Branches are responsible for concrete execution and operation. The audit department regularly conducts audit of consumer rights protection, which covers matters related to the implementation of loan modification.

Applicable conditions

During the process of clients' performance of contracts, the Bank pays great attention to the changes of clients' financial status, and identifies and analyses clients' repayment abilities in a timely manner. Due to severe disasters or accidents, serious health problems, poor operations, unemployment, serious financial difficulties and extreme bad weathers, the Bank allows clients who have difficulty repaying to be provided with special support in combination with loan modification options, subject to mutual agreement. The Bank comprehensively evaluates factors such as client identity compliance, credit performance, income stability and guarantee status, and provide differentiated support plans, including adjustment of repayment plans, extension of loan terms, change of repayment methods, and increase of credit limits, based on the client's actual repayment ability, while ensuring that clients maintain good willingness to repay and have continuous sources of income, to ensure that clients are helped to solve difficulties under the premise of controllable risks.

Loan modification options

The Bank upholds the social responsibility of a large state-owned bank. Combined with the communication with clients during the debt collection process and the comprehensive consideration of clients' financial status, the Bank provides corresponding relief support as appropriate for the clients who wish to repay loans but have temporary difficulty in the turnover of funds. For the clients who demand advance repayment, the Bank provides facilitation plans on repayment terms or changes in amounts of instalment repayment, etc. where appropriate. After reaching agreement with the Bank through consultations, clients are allowed to apply for modification of loan terms, instalment amounts, repayment modes, guarantee and accounts authorised to make payment, among others. The Bank also dynamically adjusts clients' credit lines based on their credit ratings. Specifically,

- 1 To meet loan clients' demand for advance repayment, the Bank can lower monthly instalments with the remaining repayment term unchanged, or shorten the remaining repayment term with monthly instalments unchanged;
- 2 To support loan clients' demand for deferred repayment, the Bank allows some loan clients with declining income or temporary liquidity problems to repay in instalments;
- 3 For the clients with good credit, the Bank offers credit escalation options like raising their credit lines or allowing the increase of collaterals or guarantees;
- 4 For the clients with poor credit or declining repayment abilities, the Bank takes moves like stop raising credit lines, lowering credit lines, or account control.

Access to information about rights and interests

For the loan products or services involving loan modification options, the Bank clearly presents relevant modification terms in loan contracts, informing clients of relevant rights and interests. Clients who apply for loan contract changes can learn about relevant matters through announcements at lenders' outlets, websites, etc. For personal consumer loans, clients can also learn about their rights and interests related to loan changes through the entire process of service scenarios, including pre-collection, collection, consultation, and mobile banking repayment.

Application channels

The Bank has established a multi-channel loan modification system to provide clients with a convenient and efficient business handling experience. In terms of service channels, clients can apply for loan modification via offline outlets, mobile banking, online banking, and the "CCB Intelligent Personal Loan" WeChat applet to fully meet the service needs and preferences of different client groups. In terms of service mechanism, the Bank has established a quick response mechanism to efficiently respond to clients' change needs, provide professional consulting answers, and effectively protect client rights and interests. In terms of business processes, for eligible clients, the system supports a service model that combines online automatic approval with offline manual review. Clients can either handle it through mobile banking by themselves, which will be automatically approved by the system, or choose to handle it through offline channels. After the account manager and the head of the operation investigate and review the loan, it will be reviewed by the handling bank, the head of the second-level branch or the reviewer of the personal loan centre to ensure the standardisation and rigor of the business handling process.

Review mechanism

The Bank continuously conducts consumer protection audit on an annual basis and reports the audit results to the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board in a timely manner. The audit covers loan contract modifications, focusing on whether consumers are fully informed and have easy access to the services, and whether there are hurdles to consumer services, such as insufficient notification, artificial barriers and increased transaction costs, in business scenarios like loan contract modification. Audit opinions are issued and management optimisation recommendations are put forward to effectively safeguard consumers' legitimate rights and interests.

Debt Collection Management

The Bank has established a comprehensive and standardised debt collection management system, strictly complied with national laws and regulations such as the *Guidelines for Credit Card Debt Collection of the China Banking Association (Trial)*, formulated and publicised the *Debt Collection Policy Overview*⁹, improved and issued special management regulations such as the *Operational Procedures for the Collection and Disposal of Personal Non-Performing Loans*, *Operational Procedures for Outsourced Collection of Personal Non-Performing Loans*, *Operational Procedures for Judicial Collection of Personal Non-Performing Loans*, and *Management Measures of Rural Finance Rural Production and Operation Loan Post-loan*, covering the entire process of business scenarios such as conventional collection, outsourced collection, and judicial collection. The Bank also includes debt collection work in the annual consumer protection audit focus, continuously strengthens supervision and review, and achieves effective disposal and standardised management of non-performing loans on the premise of protecting the legitimate rights and interests of consumers.

Applicable scope

The debt collection policy of the Bank is applicable to all employees of the Bank and subsidiaries, covering retail loan services and products including operation loan, housing loans, consumer loans and credit card loans, etc. The policy consists of management measures, management rules and operation specifications, and specifies the working mechanism for debt collection that covers collection methods, frequency and requirements. The policy clearly defines fulfilment of the duty to protect consumer rights during the debt collection process, requires regular organisation of training on debt collection, and strictly implements collection procedures.

Division of duties

The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors is responsible for overseeing and reviewing the implementation situation of the debt collection policy. The Head Office improves the debt collection management system, reviews and optimises the policy and system for debt collection, develops debt collection plans, and organises training, supervision and inspection, to ensure the effective implementation of the policy. Branches are responsible for the execution and operation of debt collection in specific businesses. The Bank's audit of consumer rights protection covers the audit of debt collection, the audit department inspects the implementation of the debt collection policy as well as the protection of consumers' legitimate rights and interests in the debt collection process.

⁹Debt Collection Policy Overview: https://en.ccb.com/eng/2023-08/01/article_2023080117461677979.shtml

Working mechanism

Debt collection methods
The Bank's debt collection methods include manual collection and non-manual collection. Manual collection methods include sending overdue reminders via telephone, face-to-face collection and collection through judicial authorities. Non-manual collection methods include sending overdue reminders via intelligent voice, SMS, correspondences, emails and other internal channels of the Bank (e.g., outlet counters, STM, ATM, mobile banking, online banking). The Bank also outsources collection business depending on actual conditions.

Collection stage	Repayment reminder
The collection stage is divided into Head Office collection and branch collection. Before the loan is due, the Head Office remote banking centre reminds the borrower to repay the loan through SMS, intelligent robots, and 95533 manual seats, and the branches then collect the money through telephone collection, door-to-door collection, letter collection, and judicial collection, according to the actual transfer situation.	Taking the "AI + human" approach, the Remote Intelligent Banking Centre of the Bank provides considerate and differentiated repayment reminder services to clients with loans approaching maturity, matured or overdue. The Bank mainly provides differentiated repayment reminder services to the clients of personal loans, credit cards, small and micro business loans and farmer's loans.

Measures for protecting client rights and interests

The Bank requires all collection personnel to strictly observe national laws, regulations and regulatory requirements, follow the Bank's standardised operation procedures for debt collection, and faithfully implement the rules about the protection of consumer rights and interests. During debt collection, the collection personnel are required to, in accordance with regulatory requirements, reasonably arrange collection reminding time, and communicate with consumers in a fair, polite and clear manner. The Bank continuously improves collection strategies based on market environment and client demands, dynamically updates the proportion of credit card debt collection robot and manual collection, refines and details the identification of client groups, ensures efficient debt collection, and implements in a targeted manner with a human touch. The Bank continuously strengthens supervision, assessment and management of debt collection, and firmly forbids violent debt collection of any form.

Applying the concept of consultation on the basis of equality. The Bank promises to reduce the use of obscure jargons, provides clients with practicable solutions after fully evaluating their actual conditions, and shows great care to clients during the process.

Providing repayment reminders in a standardised and orderly manner. The Bank does not initiate any collection with a third-party irrelevant to the debt, or falsely use the name of an administrative or judicial authority or use wording involving threat, intimidation or fraud. The Bank avoids calling clients from 21:00 to 8:00 the next day or disclosing clients' account information to any third-party contacts so as to ensure high-quality client experience.

Strengthening intelligence application. The Bank enriches intelligent service functions and makes the best effort to contact clients so as to reduce clients' cost of forgetting repayment.

Refining the compliant collection process. Based on fair, polite and clear communication, the Bank provides collection reminders in compliance with laws and regulations, reasonably arranges collection reminding time, clearly requires relevant personnel to conduct collection by lawful means, and strengthens relevant supervision, evaluation, training and management.

Respecting client privacy. The Bank processes clients' personal information in line with the principles of legality, legitimacy, necessity, and integrity. The Bank minimises the collection and retention of personal information to achieve the processing purpose, and strictly prohibits disclosing clients' information.

Enhancing the management of outsourced collection. The Bank improves the outsourced collection system, emphasises clear working requirements and operating specifications for outsourced collection, and strengthens the supervision over and assessment of outsourced collection agencies. The Bank urges strict compliance with requirements on protection of consumer rights and interests and personal information protection, and further standardises the management of the outsourced debt collection process.

Collection review mechanism

Supervision and review by the Board of Directors. The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors oversees the execution of the debt collection policy, and regularly listens to relevant reports by the Management. The Audit Department of the Bank conducts consumer protection audit every year. The audit covers debt collection-related work, with the focus on the improper collection acts of collection agencies and the access and exit management of third-party partners, etc. Also, the Audit Department reviews the implementation of the debt collection policy, and reports the audit results to the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors.

Management of outsourced collection agencies. The Bank has established a strict and standardised management mechanism for outsourced collection agencies, formed clear policy system to ensure that debt collection is regulated, standardised, and compliant with the Bank's requirements on consumer rights protection. The Bank sets out strict access and exit criteria to carry out strict screening of collection partners and ensure they comply with industrial standards and legal requirements. In the outsourced collection of overdue and non-performing personal loans, the Bank carries out the whole process through the system, implements the outsourced agency assessment mechanism and the management of post-collection assessment, to ensure standardised operation of the outsourced collection of overdue and non-performing loans. The Bank regularly conducts inspection of outsourced collection work, with the focus on collection wording and code of conduct.

Improvement of the collection system. The Bank continues to strengthen the use of system control over the outsourced collection system, guides branches in daily supervision and publicity to strengthen the application of the system, conducts outsourced collection business in combination with the system, and forbids any offline initiation of the outsourced collection process. The Bank keeps improve the features related to the outsourced collection of overdue and non-performing personal loans, refines the charging rate maintenance and reconciliation features for the outsourced collection of personal loans, and improves the efficiency of machine control over information throughout the collection process. The Bank advances the building of systems related to the data transmission technology for the cloud platform of outsourced collection, boosting the efficiency of debt collection and information transmission while ensuring compliance. At the same time, each relevant department has set up a part-time consumer protection specialist who is specifically responsible for the consumer protection review of all types of interview materials.

Debt collection training

The Bank strives to enhance the professional abilities and consumer protection awareness of the personnel dedicated to debt collection in various business lines, and requires all collection personnel, including post-loan management personnel, client managers and the repayment reminding personnel at the Remote Intelligent Banking Centre, to participate in training regularly. The training covers contents like the debt collection policy, system application, complaint management, experience in pilot projects and classic cases, and is organised at least once a year to ensure that the employees are familiar with relevant laws and regulations and internal policies. By regularly holding pre-shift meetings and conducting special training and case sharing, the Bank provides pre-job training and on-the-job training for repayment reminding employees. Also, the Bank organises bank-wide training sessions for the improvement of retail NPL collection abilities every year, and requires tier-1 branches to regularly provide training and retraining to employees within respective jurisdictions so as to ensure relevant policies and processes are properly interpreted and enhance employees' awareness of compliant collection.

In the first half of 2025, the Bank achieved the following results in debt collection training:

Focusing on empathy, euphemistic expression, concise language, and customer care, the Bank compiled a set of repayment reminder scripts that integrated different client groups, personalised scenarios, and differentiated service solutions, providing methods and paths for efficient and warm service.

The Bank organised training on debt collection in counties. Targeting the heads of nearly 95 key county-level operations, the Bank provided training sessions on "Yunong Loan" risk control and anti-corruption in rural revitalisation, and explained the debt collection content of the "Yunong Loan", aiming to help the employees at county-level operations better understand the collection policy.

The Bank launched training on the post-loan management of personal loans, covering the interpretation of the collection policy, system application, and consumer rights protection, which actively helped employees enhance their abilities in the post-lending management of personal loans.

The Bank held training on outsourced collection of credit card loans, highlighting the importance of compliant collection through policy interpretation and case study, which strengthened the collection personnel's professional abilities and compliance awareness, fully protected client rights and avoided improper collection behaviours, and ensured compliant and efficient outsourced collection business operations.

The Bank regularly carried out training on non-performing retail and inclusive loans, and provided special training on the key points and practical operations of the outsourced collection of non-performing personal loans for employees in the preservation line across the Bank, to ensure branches faithfully implement policy requirements during the collection process and collect debts in compliance with laws and regulations when collaborating with outsourced agencies.

Fair Marketing Policy

The Bank earnestly implements fair marketing policy in strict accordance with laws and regulations such as the *Advertisement Law of the People's Republic of China* and regulatory requirements including the *Notice on Further Regulating Financial Marketing and Publicity Behaviours*. The Bank fully incorporates consumer rights protection into the whole process of marketing activity design, and formulates and issues internal policies, including the *Advertisement Management Measures and the Management Measures for Marketing among Individual Users and Clients*, which are applicable to all the financial products and services provided by Bank. Based on the relevant policies and practices about fair marketing, the Bank has formulated the *Personal Customer Marketing Policy Overview*¹⁰ and disclosed it through open and official channels to ensure the quality and efficiency of client marketing management across the Bank, ensure marketing to be carried out in a regulated, systematic and professional manner, and effectively implement various measures devised to protect consumer rights.

Applicable scope

The *Personal Customer Marketing Policy Overview* is applicable to all employees, departments and domestic branches relating to marketing, and subsidiaries are required to use it as reference. In the policy, personal client marketing includes marketing planning and advertisement design, financial marketing and business promotion, event organisation and application execution, private domain connection and traffic operation, business opportunity coordination and client reach, contact interaction and experience feedback, network fission and digital communication, process supervision and monitoring & tracking, performance evaluation and validation & conclusion, etc.

Policy requirements

The *Personal Customer Marketing Policy Overview* sets out provisions on marketing tools, marketing publicity, marketing execution, and review and supervision, etc. Specifically, it requires complying with the basic specifications for individual client marketing, not violating the basic provisions on marketing, not carrying out misleading publicity, not harming client rights to know, not collecting or using user client information in violation of regulations, not publishing marketing information in violation of regulations, and not violating other mandatory regulations stipulated by laws, regulations or financial regulatory authorities, or involving in cases recognised as not compliant with laws or regulations. Also, the policy further clarifies regulations regarding review and monitoring, employee behaviour management, and execution and supervision during marketing process, to raise employees' awareness of compliance and risks, and forms regulated and professional marketing campaigns. Please refer to the full text published by the Bank for details.

Practical measures

Adhering to the client-centric philosophy, the Bank continuously improves client experience, safeguards consumers' rights and interests, and actively implements fair marketing:

The Bank strictly protects clients' tranquillity rights. The Bank fully aligns with and protect client' rest time and personal willingness, not making outbound calls from 21:00 to 8:30 the next day, only reaching clients with authorisation, and setting call barring for clients who do not accept outbound call marketing.

The Bank has integrated the capabilities of client system marketing platform, managed bank-wide marketing opportunities and campaigns through enterprise-level system, improving the quality and efficiency of marketing services.

The Bank has established the rights middle office, built a rights centre, constantly optimised the rights operation mechanism, achieved the diverse supply of rights categories, strengthened the full life cycle management of rights products and enhanced client journey experience, effectively improving the stability and sustainability of rights.

The Bank has enhanced the coordinating capability of online marketing campaigns, migrated marketing activities to in-house marketing systems, achieving end-to-end in-house marketing data closure and forming routine monitoring and penetrating management of marketing campaigns.

Training on fair marketing

The Bank organises special training on fair marketing every year, to continuously deepen employees' understanding of fair marketing and raise marketing personnel's professional literacy. Such training comes in diverse forms, including training for specific business lines, daily training at outlets, and online training through the CCB Learning Centre, etc. Contents of training cover fair marketing-related laws and regulations, policies, code of conduct, compliance risk and case study. The Bank requires every employee in direct contact with clients to attend fair marketing-related training at least once a year, ensuring that all the relevant personnel can deeply understand and faithfully practice the principle about fair marketing. Also, the Bank regularly organises exams about the contents of training, to consolidate and deepen the results of training.

Management and oversight mechanism

The Bank continues to consolidate the comprehensive management and oversight structure for fair marketing that comprises the Board, the Management and execution levels. The Bank strengthens management of employees as system users, establishes and implements the job responsibility system, and strictly follows the review and approval process before pushing marketing information to clients, to ensure every service is marketed in compliance with laws and regulations.

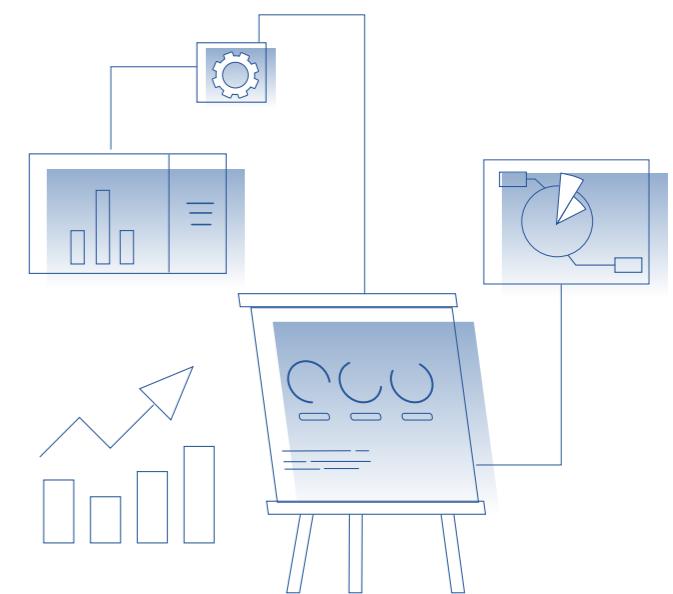
The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board oversees the implementation of consumer protection work including fair marketing. The Consumer Protection Committee of the Management supervises and guides marketing moves by relevant departments, to ensure marketing campaigns are fair and compliant with laws and regulations.

The product and service management department of the Bank conducts comprehensive review of advertisement, marketing and promotions, including marketing plans, common Q&As, event pages and publicity materials, etc. It supervises the implementation of consumer protection review opinions, guards against the risk of infringement upon consumer rights, and pays attention to consumer feedback. Also, it puts in place a whole-process control mechanism for consumer protection, focuses on client demands, and helps clients identify their financial needs and make corresponding decisions.

The audit department of the Bank conducts internal consumer protection audit every year, and reports the audit results to the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board. The audit scope covers the implementation of the fair marketing policy, with the focus on whether the evaluated risk levels of the wealth management products the Bank sells as an agent are accurate, whether the disclosed information about where the funds raised through the products are invested is complete and comprehensive, and whether a service is provided to a client who is misled or not well informed. Based on the audit results, management recommendations on future work will be provided, to ensure the fair marketing policy is strictly implemented and false advertising is resolutely avoided in marketing campaigns, thereby protecting consumers' legitimate rights and interests.

Management of cooperative institutions

The Bank pays attention to strengthening the supervision and management of consumer rights protection by cooperative institutions, strictly implements of the *Opinions on Further Strengthening Supervision and Management of Consumer Rights Protection by Cooperative Institutions*, and forms a list-based management mechanism for consumer protection. For the items of cooperation involving consumer rights, the Bank sets and strictly follows access and exit criteria for cooperative institutions, and assesses the cooperative institutions in terms of consumer protection every year. In the cooperation agreements, the Bank specifies the responsibilities and obligations of both sides on consumer protection, including but not limited to control of information security, management of service prices, service continuity, information disclosure, financial marketing and publicity, dispute settlement mechanism, assumption of default responsibilities, and emergency response, to reduce external risks from transmitting to the Bank.



¹⁰ Customer Marketing Policy Overview: https://en.ccb.com/eng/2023-08/01/article_2023080117422440796.shtml

Client Complaint Management

The Bank attaches great importance to strengthening client complaints management. The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board supervises the client complaint-related matters, forming a complaint management system with clearly defined authorities and responsibilities. By integrating business reality with complaint analysis results, the Bank continuously improves the working mechanism for complaint management, builds a smoother and more efficient complaint handling process, and strictly reviews and supervises complaint response, to ensure the effective implementation of complaint management.

Management structure



Board of Directors and special committees

The Bank's Board of Directors is responsible for supervising and reviewing client complaint management. The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board fully performs the supervision duties of client complaint management, listens to the complaint notification transferred by regulators on a quarterly basis, and reviews the assessment of consumer rights protection by regulators on an annual basis, conducts in-depth analysis of the trend of causes of changes in the number of complaints, provides guidance on improving the quality and efficiency of complaint handling, and comprehensively supervises the complaint management work by the Management and the consumer protection departments to ensure timeliness and effectiveness. In the first half of 2025, the Board of Directors continued to strengthen strategic guidance on consumer protection work, regularly reviewed issues related to consumer protection, and studied and paid attention to key issues such as the construction of the consumer protection system, the bank's complaint data and governance results in key areas, the progress of the annual consumer protection work plan, and the rectification and implementation of regulatory evaluation issues, to ensure that the strategic goals and policy requirements of consumer protection were effectively implemented. The Board of Directors' Related Transactions, Social Responsibility and Consumer Protection Committee fully played a coordinating role. In the first half of 2025, the committee focused on studying reports on consumer protection audits and internal assessments of consumer protection, and regularly reported to the Board of Directors on the progress of consumer protection work, supervision results and evaluation results, to promote the formation of a closed-loop management mechanism from strategic decision-making to execution supervision.



The Management

The Consumer Protection Committee of the Management of the Bank is responsible for making unified planning and overall arrangements for consumer protection work as well as implementing and promoting the work. It organises meetings periodically for the discussion and analysis of complaints in key areas across the Bank, grasps the trend of complaints dynamically and guides the departments to improve products and services based on complaint information. It formulates briefs on complaint and consumer sentiment, submits them to the leadership of the Bank for review on a regular basis, and regularly reports relevant situations to the Board and special committees, so as to continuously improve customer service. The Chairman of the Board of Directors and the Bank's executives attach great importance to complaint management, lay down special arrangements for reducing consumer complaints, promote and follow up on the effects in a systematic way, and ensure that complaints are resolved timely and effectively. In the first half of 2025, the committee held 2 conferences of the Consumer Protection Committee to review the progress of consumer protection, complaints and other matters, analyse the current situation of consumer protection, and map out the key tasks of consumer protection and customer service.



Consumer protection departments at Head Office and tier-1 branches

The Bank relies on the establishment of a group-wide integrated consumer protection management system and combines an all-encompassing matrix consumer protection management model to establish consumer protection departments and full-time positions at the Head Office and branches, and equips all levels and business lines with consumer protection professionals to deal with client complaints. The Consumer Rights Protection Department of the Head Office takes the lead in organising and implementing management, guidance and evaluation of consumer complaint handling work, coordinates and supervises operations to properly handle consumer complaints, and provides standardised guidance on the consumer complaint handling process and management. Tier-1 branches undertake the primary responsibility for consumer complaint management and fully implement the consumer complaint management requirements and criteria specified by regulators and the Head Office, ensuring that the rights and interests of consumers are effectively protected. The Bank sets up a consumer protection expert pool and builds a professional and dedicated team of consumer protection experts across the Bank to jointly study and resolve difficult complaints through expert consultation.

Complaint management targets

The Bank always adheres to a client-first service concept, actively communicates and interacts with clients, and builds and maintains well-functioning communication mechanisms and smooth channels to ensure efficient response and proper resolution of client feedback. The Bank continues to optimise and improve complaint management procedures, strengthens clients service experience and provides warm, considerate, efficient and high-quality financial services for clients. The Bank implements the *Consumer Protection Work Plan (2023-2025)*, in which it states the specific work targets concerning consumer protection and complaint management, including conducting consumer protection review and inspection of 100% of products and services, reducing the number of complaints per million personal clients, improving customer satisfaction, etc. Besides, it formulated the *Environmental, Social and Governance Work Plan (2023-2025)* and set "the conclusion rate of complaint work order within 15 days" as a key target of complaint management, requiring that the complaint conclusion rate should be maintained not less than 90% between 2023 and 2025. On a comparable standard, 28.57% decrease in consumer complaints received by the Bank in 2024 compared to 2023.¹¹

Complaint management working mechanism

Strengthening the system

The Bank keeps strengthening the complaint management system and built a systematic and multi-level system framework. Through the formulation of system documents such as the *Consumer Complaint Management Measures*, the *Individual Client Issue Resolution Management Measures*, the *Emergency Management Measures for Major Consumer Protection Events* and the *Emergency Plan for Major Consumer Protection Events*, a "1+4+N" complaint management system is formed with the complaint management measures as the core, and supported by the settlement measures, guidance opinions on multi-dimensional dispute resolution, consumer protection major events emergency management measures, and consumer protection major events emergency plans. The system standardises the work process in various situations such as routine complaint handling, major complaint response, settlement negotiation, and multi-dimensional dispute resolution, and provides clear operational guidelines for operations at all levels. At the same time, for key areas where complaints are concentrated, the Bank organises and carries out the management of the source of complaint, effectively improves the service quality in key business areas, and ensures that complaint management work is carried out in a standardised and orderly manner.

Pushing for implementation of responsibilities

The Bank continues to implement primary responsibilities for complaint handling, strictly implements the "top leader responsibility system" for consumer protection management, and requires the head of corresponding operation to personally investigate, advance and participate in the resolution of major complaints. The Bank enhances the support and guarantee for complaint handling in lower-level operations and promotes all branches to strengthen the management of tier-2 branches and sub-branches. The Bank ensures that the responsibilities on complaint handling channels are fully fulfilled and strictly implements the guaranteed satisfactory solution system to ensure that client demands are responded in the first time. Meanwhile, the Bank equips professional complaint handling personnel in every business line, requiring quick and efficient resolution of client problems. The Bank includes the quality and efficiency of complaint handling of operations at all levels in the scope of assessment, and regularly conducts special inspections on the complaint handling and management of branches through on-site inspections, data reporting and other forms to ensure that client demands are responded to in a timely manner, properly handled and effectively supervised.

Improving monitoring and early warning

The Bank continues to improve the risk information sharing and joint assessment mechanism, establishes front-end monitoring in key business areas and regions, and effectively applies public opinion prevention and control into all aspects of bank-wide operation management and business development. The Bank monitors the number of complaints, continuously improves the consumer protection management system, and iteratively upgrades the real-time warning of complaints and other functions in the consumer protection management system, so as to achieve early detection, early warning and early disposal of negative public opinions, and strive to effectively reduce the complaints in advance.

¹¹ For detailed complaints in 2024, please refer to page 77 of the Bank's 2024 Sustainability Report.

Improving the response mechanism

The Bank has established a “tiered response” problem solving mechanism and comprehensively reviewed and analysed the client problem handling process according to the “funnel principle” to achieve timely and effective resolution of complaints. The Bank implements rapid processing mechanisms for urgent issues raised by clients, where the client service staff cooperate with relevant operations quickly for rapid processing and the processing results will be supervised. The Bank has implemented a diverse dispute resolution mechanism and supports the organisations at all levels to actively participate in dispute resolution. When it is difficult to reach an agreement with clients, it makes full use of third-party mediation to facilitate problem solving, and strengthens multi-party collaboration to effectively resolve clients’ problems from multiple dimensions.

Promoting technology empowerment through innovation

In combination with big data and AI technology, the Bank promotes the complaint management system, makes full application of analytical tools for smart complaint early warning and big data analysis. With professional data analysis and full-aspect display, the Bank effectively improves management and monitoring efficiency and makes consumer protection management data traceable, empowering and give early warning. Meanwhile, the Bank improves and promotes the complaint labelling system and classification standards. The Bank categorises complaints based on six key dimensions, so as to transform unstructured complaint information into statistical and analysable structured data, and accurately locate product and service problems. Through refined classification of complaint data, the Bank effectively supports the monitoring system in consumer protection dashboard, intelligent complaint early warning, and normal big data analysis.

Emphasising problem source tracing and rectification

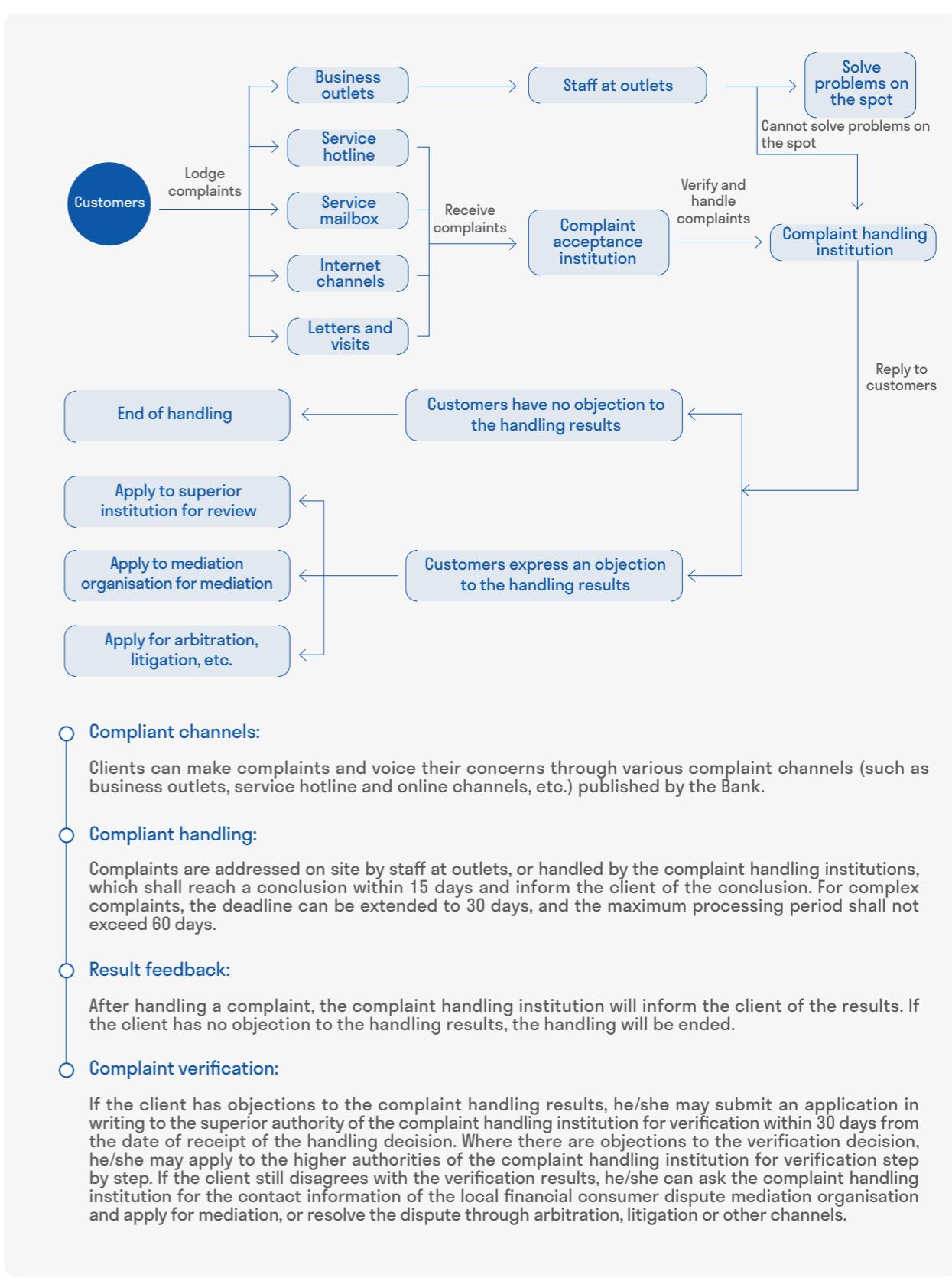
The Bank is committed to applying complaint information to product and service improvement. The Bank conducts real-time monitoring, periodical notification and comprehensive analysis of major products, key institutions and major problems. It organises relevant departments of the Head Office and branches to implement targeted problem source tracing and make improvements, links relevant lines to jointly identify the root causes of complaints and draws lessons from other cases to resolve complaints at the source. The Bank has established a normalised feedback mechanism in which complaint data is forwarded to product design and channel operation departments, urging relevant departments to focus on applying complaint feedback to improve products and services through various forms such as risk warning, work recommendations, and source tracing proposals. In the first quarter of 2025, the Consumer Rights Protection Department of the Head Office carried out 49 special inspections and sent 134 source tracing proposals, work recommendations and risk warnings to the departments at the Head Office. By doing so, they keep monitoring and analysing complaint data and improving products and services.

Complaint handling process

The Bank continuously improves the complaint handling process, unclogs client complaint channels and handling procedures, updates public information through online and offline complaint channels, improves complaint handling quality and efficiency, and ensures transparent and accurate information processing. The Bank fully implements consumer complaint handling and review mechanism, carries out various measures including reporting to superior operations level by level, classification-based transferring and complaint supervision, and provides diverse dispute resolution channels to ensure that every complaint is properly addressed and no issue is left unsolved.

Complaint handling process

The Bank continuously improves the establishment of complaint acceptance channels on all fronts and actively optimises the complaint handling process. It displays “client complaint channels and handling processes” via offline channels such as the outlets across the Bank and private banking centres, as well as online channels such as the official website, mobile banking of both personal and corporate versions, WeChat official accounts such as “China Construction Bank”, applets such as “CCB Customer Service”, and Apps such as “CCB Huidongni”, and listed relevant information in the business product and service agreement. The Bank’s complaint handling process is as follows:



Complaint channels and processing mechanism

The Bank has established diverse complaint channels. Through multiple service approaches such as the 95533 customer service hotline, "CCB Customer Service" WeChat official account, mobile banking live chat, online banking live chat, and SMS platform and by leveraging a variety of media interactions, including audio, text, and video, the Bank ensures that clients are provided with enterprise-level, intensive, intelligent, multi-functional, multilingual, and 24/7 services in a "human + AI" manner. In addition, the customer service centre is launched on the "CCB Lifestyle" App, sets up functions of hot issue guidance, robot customer service, online manual customer service, hotline customer service, complaint guide display and third-party service provider contact, so as to provide clients with clear, convenient and smooth feedback service, ensuring that client complaints and feedback can receive timely, professional and efficient response and processing.

The Remote Intelligent Banking Centre is staffed with specialised client complaint handling personnel to ensure timely response and feedback to client complaints. When receiving client complaints, the complaint handling personnel immediately provide solutions within the limits of authority, pacify the client and address the complaint by explaining online or quickly discussing with corresponding branches. For complaints that cannot be resolved online or exceeds the limits of authority, the centre records the complaints and relevant information via the unified customer service platform, generates complaint work orders, quickly transfers them to the complaint handling institution, urges and supervises the second-call complaints from clients or overdue work orders, and handles complaints transferred from external institutions in a timely manner. In order to ensure service quality, the Remote Intelligent Banking Centre regularly conducts sample surveys on customer satisfaction to understand the outcomes of compliant handling and give feedback to the responsible complaint operations.

Complaint handling upgrading mechanism

The Bank continuously optimises the consumer complaint handling upgrading mechanism and makes the problem feedback channels public for consumers. According to the mechanism, the problems that cannot be solved by the complaint handling institutions or exceed their limits of authority shall be reported to the superior management operations of the business line level by level for coordination.

The Bank has implemented a special upgrading handling and coordination mechanism for each type of complaint to effectively ensure that complaints are addressed properly and prevent buck passing among institutions. Consumers who have objections to the consumer complaint handling results may submit a written application for verification to the superior operation of the handling institution. Consumers who have objections to the verification decision may apply for re-verification to the institutions with higher authority level by level. If consumers still have objections to the final results, they may ask the complaint handling institution for the contact information of the local financial consumer dispute resolution organisation and apply for mediation, or resolve the dispute through arbitration, lawsuit, etc.

Supervision and audit mechanisms on complaint management

Supervision and verification of complaint handling

The Bank has established a systematic complaint handling supervision and inspection mechanism. The Consumer Rights Protection Department is responsible for the supervision and inspection of complaints throughout the Bank. The Bank has set up a full-time complaint review position and appointed complaint review ombudsman to conduct special supervision and inspection of customer complaint handling, striving to ensure that each complaint can be handled fairly and professionally.

The Bank has set up a special complaint supervision hotline, which is answered and handled by complaint review ombudsman, and tracked the relevant complaints throughout the process. The Bank organises special inspections for major complaints, organises, coordinates and examines the solutions of key complaints, and evaluates the areas for improvement in which complaints were made, so as to increase the quality and efficiency of complaint handling, striving that client problems receive timely response, proper handling and effective settlement, and effectively ensuring the implementation of complaint supervision and management requirements.

For the complaints forwarded by the regulators that have been reported to the Bank by customers but have not been satisfactorily resolved, the Bank has established a verification mechanism for complaints forwarded by the regulators. Complaint review ombudsman organise relevant departments of the Head Office and branches to conduct verification work, strictly following the time limit of completing the verification and providing feedback to the complainant within 30 working days. In 2024, a total of 458 special inspections were carried out, effectively promoting the resolution of 272 difficult problems, which not only promoted the proper handling of customer problems, but also provided important reference for product and service optimisation.

Audit on complaint management

The audit department of the Bank is responsible for conducting internal consumer protection audits, covering the implementation of complaint management work. The audit results are reported to the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors. The audit items include complaint handling results, checking the effectiveness of the complaint handling framework, the completeness of the complaint management system, the timeliness and standardisation of complaint handling tracking, statistical analysis of client complaints and improvement effect, etc. It oversees the performance of consumer protection responsibilities such as complaint management across the Bank, provides management recommendations, and reports to the Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors, so as to effectively safeguard consumers' legitimate rights and interests. In the first half of 2025, the audit department of the Bank organised special audits on consumer protection as planned, focusing on the quality and efficiency of complaint handling, complaint source tracing and rectification, etc.

Financial Education

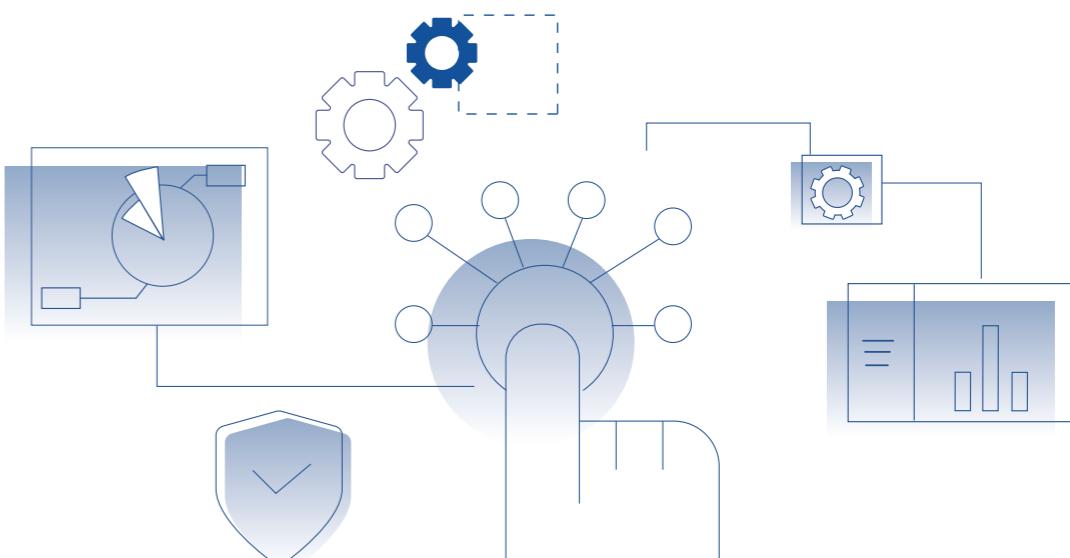
The Bank always adheres to the philosophy of "financial services for the people", strictly implements the regulatory requirements, actively carries out financial education and publicity initiatives, helps to enhance the public's financial security awareness and foster a sound financial vision, achieves the deep integration of financial literacy into the national education system, so as to practice social responsibilities as a financial enterprise.

Public financial education and publicity

The Bank focuses on public financial education, keeps improving the financial education and publicity mechanisms, enriches communication channels and expands the delivery coverage, opening a new chapter of public financial education. In the first half of 2025, the Bank formulated the *2025 Work Plan on Financial Consumer Education* to clarify the tasks of and requirements on financial consumer education for the year to ensure the orderly development of the Bank's consumer protection education and publicity work.

The Bank promotes financial education and publicity activities on a regular basis through offline outlets and online channels. In March 2025, the Bank organised the "3·15" consumer rights protection education promotion programme through unified arrangements via both online and offline channels, focusing on the theme of "releasing a batch of cases, creating a batch of courses, launching a series of measures, and carrying out a series of activities", and publicised the programme via all channels, all media and all networks. The Bank held a total of 72,000 activities, which reached consumers 750 million person-times, forming a good social response.

The Bank continues to strengthen the partnership with various educational institutions in financial education and publicity work. First, the Bank cooperates with financial education institutions such as universities, specialised societies and industry associations, relying on their professional advantages to promote the professional level of financial consumer education. Second, the Bank cooperates with educational institutions such as universities, community colleges, universities for the elderly, primary and secondary schools to organise diversified activities, expands the reach of financial education and promotes the improvement of the financial literacy of the public. The Bank has established close partnerships with a number of financial education institutions. In 2024, all 37 tier-1 branches of the Bank cooperated with local financial education institutions to carry out financial education and publicity activities.



■ Financial education for key client groups

The Bank continues to expand the coverage of financial education and publicity, increases efforts in the popularisation of financial education through the “five entrances” (into schools, communities, countryside, enterprises and business districts). The Bank reaches out to rural areas, ethnic minority areas, remote areas and other areas where financial service resources are underserved, focusing on the elderly, students, new citizens, ethnic minorities, people with disabilities, rural clients and other key clients groups, the Bank has formulated and implemented special financial knowledge education and publicity activities with practicality and attractiveness, so as to create a social atmosphere of “learning finance, understanding finance, trusting finance, and using finance”.



● The elderly clients

Towards 269 million elderly clients, the Bank provides rich and diverse elderly-friendly financial service activities, organises “branded” financial education, adapts to the development of an aging society, and carries out a series of financial literacy campaigns. The Bank has launched a series of “nursing care + smart care + health care” services, cooperating with communities to promote personal retirement finance and help the elderly adapt to digital life. The Bank also provides online services for the elderly, compiling large-print financial knowledge leaflets for the elderly to facilitate reading by the elderly clients, and continuously optimising the “Smart Bank” consumer protection service of mobile banking to help the elderly make use of their leisure time to “listen to and understand” financial knowledge. The Bank’s branches in Heilongjiang, Shanxi, Fujian, Guangxi and Shanghai cooperated with local universities for the elderly to popularise financial knowledge such as how to prevent fraud and how to invest rationally among elderly clients in an entertaining manner through calligraphy competitions and performances of songs and dances in conjunction with real-life cases.

● New citizens clients

The Bank provides 137 million new citizens with “integrated” heartwarming financial education services. The Bank has launched the “Colourful Consumer Protection” channel on the “CCB Housing” and “CCB Trust” Apps to provide convenient services for new citizens, helping them learn financial consumer protection knowledge anytime and anywhere, reaching more than 50 million people in total. In accordance with the local policies on household registration and school enrolment for new citizens, the Bank carries out customised financial services, provides employment and school guidance and payroll credit service, and publicises knowledge of account security.

● Ethnic minorities clients

The Bank provides “diversified” financial education for ethnic minorities clients, continuously broadcasts 8 original consumer protection songs of Miao, She, Dong, Mongolian, Uygur and other ethnic groups, which were rolled out through the whole network media. Each branch breaks down language barriers, builds a bridge between ethnic finance, and weaves a financial rights protection network covering urban and rural areas and across ages with the “No difference” service concept. The Guangxi branch went into ethnic minority neighbourhoods to popularise consumer protection knowledge for the Zhuang people; the Xizang Branch went into the herdsmen’s residence in the Ali region to explain financial knowledge to farmers and herdsmen in the villages. The Yunnan Branch and Guizhou Branch went into villages to popularise financial knowledge for the Miao people in attractive forms.

Teenagers and students

The Bank actively cooperates with schools to bring the “Golden Bee” consumer protection and financial education activities into campuses with characteristics and effectiveness. A college student consumer protection channel was opened on the “CCB Smart Campus Application” platform, reaching more than 400 colleges and universities across the country, covering 2.8 million teachers and students. The Henan Branch and the Youth and Children’s Work Committee compiled a youth consumer protection course and took to the streets to carry out the “Learn from Lei Feng Memorial Day” consumer protection publicity activities. Guangdong Branch organised the Guangdong Student Consumer Protection Creative Competition, covering colleges and universities in different cities under the jurisdiction, allowing university students to express their knowledge and understanding of financial consumer protection through videos, art design and other forms, and carried out offline financial education activities in colleges and universities for a total of nearly 100 times. Tianjin Branch cooperates with Tianjin University and Nankai University to set up special exhibition areas and interact with students by distributing leaflets, playing interactive games and explaining knowledge, so as to popularise financial knowledge for teachers and students. Yunnan Branch worked with public security agencies and cooperated with Yunnan Agricultural University, Kunming University of Science and Technology, Yunnan Minzu University and other colleges and universities to carry out a series of educational and promotional activities, including “Financial Knowledge on Campus, CCB Helps Youth”, in order to pass on basic financial knowledge to students. Hainan Branch promotes financial education and publicity activities in counties, and sub-branches cooperate with ethnic minority schools and hope primary schools to extend financial knowledge to areas where financial services are scarce. Guizhou Branch set up the “Zhang Fuqing Financial Service Team” during the start of the school year and cooperated with a number of secondary schools under the jurisdiction of the branch to popularise financial knowledge among teachers, students and parents.

Clients with disabilities

The Bank provides “convenient” financial education for disabled clients. The Bank organises employees to participate in the “Wanbao Sign Language Classroom” and the national standard sign language course to master more reliable skills in serving disabled people. The Bank helps disabled people open accounts and register for the disabled version of mobile banking to help them enjoy fair financial services. The branches in Gansu, Ningxia and Tianjin have visited the disabled service centres, carried out financial education activities with doctors and nurses, and sent service manuals to help people master consumer protection knowledge. Sichuan Branch and the Remote Intelligent Banking Centre have entered the community and set up special investment education classes with volunteers to help disabled people master financial and consumer protection knowledge.

Clients in rural areas

The Bank has established 200,000 “Yunongtong” service points and built 2,346 “Yunong School”, carrying out a variety of financial knowledge publicity activities to rural residents, and cultivating a culture of integrity in rural areas. The Bank carries out “precision drip irrigation” financial education for high-risk areas and promotes warning cases and response strategies. The Heilongjiang Branch organises young employees to extend financial knowledge to people in rural areas during spring ploughing and ploughing preparation.

■ Upgrading digital financial education

The Bank fully relies on digital methods to integrate financial education into various real-life scenarios, empowering business development. The Bank has established a digital financial education zone to build the digital consumer protection education section that integrates knowledge, functions and interactions. In major digital marketing campaigns of “Benefit Season” and “Fighting Season” in 2025, the education section accumulated user visits 120 million person-times. The Bank has built the “Colourful Consumer Protection 3D Digital Exhibition Hall” financial education main battlefield, with a cumulative number of registered users of 14.22 million, reaching clients 29.65 million person-times. The Bank has created a financial education exhibition hall matrix of the “Head Office + branch” model, with the Head Office and each branch exhibition hall with local characteristics. 34 characteristic halls at branches have been opened, focusing on the modern elements of “humanities + technology”.



Privacy Protection and Data Security

The Bank always gives top priority to privacy protection and data security, continuously improves privacy and data security management capabilities by systematically promoting the optimisation of management structure, improvement of institutional system, strengthening of protective measures, deepening of publicity and education training, optimisation of audit supervision mechanism, and third-party data and privacy management, so as to effectively safeguard the privacy and data security of individual clients.

Privacy and Data Security Management Structure

The Board of Directors

The Bank attaches great importance to privacy and data security management. The Board of Directors assumes the main responsibility for data security work, including approving the basic data security management system and listening to reports on important data security matters. The Board of Directors and special committees are responsible for approving and monitoring the implementation of information security strategies. They integrate IT risk into the Group's risk preferences, continuously strengthen security operation and maintenance capabilities, and improve the capabilities for preventing and controlling IT and cybersecurity risks, protecting clients' privacy and the Bank's information and financial security. They keep deepening IT system disaster recovery and drills and improve information security and privacy protection capabilities through concrete efforts. In the first half of 2025, the Bank's Board of Directors and Risk Management Committee have approved the *Management Measures for Data Security (2025 Version)*, promoting enhanced coordination of data security and personal information protection. These measures refine the data lifecycle safety management requirements for collection, processing, and destruction, and standardise various data processing activities in financial services, external cooperation, and business management, protecting the legitimate rights and interests of all data subjects.

The Bank's Board of Directors has set up the Risk Management Committee, which is responsible for overseeing and guiding IT and cybersecurity risk control and management, and regularly listening to reports on IT and cybersecurity risk management and control. In the second half of 2024, the committee listened to and discussed the *Report on Cybersecurity Risk of the First Half of 2024*, studied the cybersecurity posture, IT system management, cybersecurity operations, management of IT outsourcing, and business continuity management, suggested enhancing system validation & security mechanisms, strengthening staff cybersecurity training, increasing proactive monitoring and analysis of external risks, and boosting the Group's cybersecurity risk management and control capability. In the first half of 2025, the committee listened to and discussed the *Report on IT Risk Management in 2024*, studied IT risk identification & assessment, monitoring, control, and the risk landscape, along with related work plans, and provided guidance on strengthening network and information security, business continuity, IT outsourcing risks, and risks from new technology applications.

The Bank's Board of Directors has set up the Related Party Transaction, Social Responsibility and Consumer Protection Committee, which is responsible for supervising, guiding and promoting the work on privacy and data security protection of personal clients, regularly listening to reports on the progress of the work, overseeing the implementation and execution of relevant initiatives, guiding the Management to improve the relevant systems, processes, tools, and the development of human resources, and enhancing the quality & efficiency of the work on the protection of the privacy and data security of personal clients. In the first half of 2025, the committee carried out thematic study about the *Report on the Progress of the Work Related to Privacy and Data Security Protection*, mainly focused on the development of the data security governance system, IT outsourcing management, and risk management and control of key position personnel, etc., and recommended to draw lessons from the risk incidents in the industry, strengthen data security management, comprehensively monitor the risk of data leakage, improve the technical prevention and control capability of data security and the emergency management of data security incidents, and continuously strengthen the training and publicity for the protection of personal client information and data security.



The Management

FinTech and Digitalisation Promotion Committee

The Management of the Bank has set up the FinTech and Digitalisation Promotion Committee headed by executives of the Bank. The committee has 12 member units, including Head Office departments, operations directly under the Head Office, subsidiaries, etc. The committee is responsible for executing the strategic deployment of FinTech and digital operation put forward by the Party Committee of the Head Office, the Board of Directors and the President's Executive Meeting. It coordinates important work related to FinTech, digital operation, information security, data governance, etc., studies and deliberates on major issues such as preparation of relevant plans, reports to the Board, the President's Executive Meeting, etc., for decision-making according to required procedures and ensures the effective implementation of bank-wide strategies for FinTech and digital operation.

Chief Information Officer

The Management assigns Chief Information Officer (CIO) to co-oversee the operations of the Digitalisation Promotion Office, the Data Management Department, the FinTech Department and the Operational Data Centre. The CIO takes charge of the planning, development, promotion and management of the Bank's information systems and information security control measures as well as the sharing and integration of relevant resources, to improve the Bank's efficiency of information security management in all respects and ensure the sound development of the Bank's digital business.

The execution

The Bank has established an execution system for privacy and data security protection work with clear-cut work allocation and responsibilities:

The Data Management Department of the Head Office leads and coordinates the protection of personal client information and data security management work across the Bank, organises the planning and implementation of data security management and data security risk assessment. The data security division, as the special designated division for data security management, carries out the specific work. The FinTech Department, the Operational Data Centre, etc., of the Head Office are jointly responsible for data security in IT field, and the business departments are responsible for putting in place data security management requirements in their corresponding business fields. The Risk Management Department and the Internal Control & Compliance Department of the Head Office are responsible for the implementation of data security risk management, internal control evaluation, accountability and penalties, etc., within their scope of duties. The Audit Department of the Head Office takes the responsibility of performing information security and privacy protection related audits. All branches and sub-branches assume primary responsibility for data security within their jurisdiction and perform localised administration. They strictly implement local policies and regulations relating to data security and actively control and manage data security risk within jurisdiction to ensure data and information security.

Privacy and Data Security Policies and Specifications

The Bank continues to improve the system and management mechanism. The Bank strengthens the Group's overall planning, clarifies management requirements, and organises all tier-1 branches and subsidiaries to improve the data security management and personal client information protection work process & mechanisms within their jurisdiction, and consolidates their primary responsibilities. The Bank optimises the *Personal Information Protection Policy Overview*¹² to further enhance the public's understanding and awareness of the Bank's personal client information protection policy. The Bank establishes a data security assessment mechanism, issues the *Implementation Rules for Data Security Protection Impact Assessment and Guidelines for Security Management for the Cross-border Provision of Data*, and refines the pre-assessment process and requirements around key scenarios such as third-party cooperation and outbound data to strengthen data security risk management and control.

Privacy protection

The Bank attaches great importance to and effectively protects individuals' rights of personal information. The Bank continues to strengthen the protection of clients' personal privacy and keeps intensifying the restriction of relevant policies and specifications. The Bank has formulated personal information protection related policies covering all business lines and affiliated units of the bank, guiding all employees to comply with personal information security protection requirements and strictly implement the protection measures. The Bank strictly implements the requirements regarding "notification and consent" and the protection of minors' information in the process of providing products and services, and makes sure to obtain clients' authorisation before using their personal information. The Bank applies the functions of obtaining client consent, withdrawing consent, re-obtaining consent and case-by-case authorisation and consent on mobile banking and other platforms. In the first half of 2025, the Bank organised and promoted key tasks on personal information protection across all tier-1 branches, including strengthening the management of third-party institutions, conducting regular self-inspection, and staff training on personal information protection, and continuously improving the normal process mechanisms.

Privacy protection principles

The Bank adheres to the following principles in protecting clients' privacy, including matched right and responsibility, explicit purpose, informed consent, minimal necessity, hierarchical authorisation, security assurance, fairness and reasonableness, openness and transparency, integrity and information quality. It strictly abides by laws and regulations, and takes appropriate measures to fully protect clients' personal information.

Privacy protection policy

In accordance with the *Personal Information Protection Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China* and other legal requirements, the Bank has issued and implemented the *Management Measures for Personal Client Information Protection*, further standardising the handling process of personal client information. The Measures is the overall policy for the work of personal client information protection, clarifying the allocation of responsibilities of the departments of the Head Office and tier-1 branches in this regard, as well as the requirements on the full lifecycle management¹³, emergency management mechanisms, and management of relevant, so as to further standardise the handling process of personal client information, provide guidance for the high-quality and orderly implementation of personal information protection across the Bank, and continue to improve the Bank's institutional system on personal client information protection.

The Bank issued and implemented the *Work Plan for Further Strengthening Personal Customer Information Protection*, clarifying the detailed measures and basic requirements for strengthening the protection of personal client information, guiding the optimisation of business processes that involve the handling of personal client information across the Bank, and promoting standardisation of personal client information protection work.

The Bank regularly promotes re-examination work on regulations and rules related to privacy protection, organises all 37 tier-1 branches to re-examine and improve the regulations and rules related to personal client information protection of the operations, improves personal client information protection system of the operations, and clarifies the organisational structure and working mechanism. According to the requirements of laws and regulations, the Bank continuously revises the personal information protection policies of channels, product services, privacy authorisation agreements and other agreement texts, and optimise the "notification-authorisation" business processing procedure.

¹² Personal Information Protection Policy Overview: https://en.ccb.com/eng/2023-08/01/article_2023080117440210471.shtml

¹³ Full lifecycle covers phases including "client notification-consent, the collection, transmission, use and cross-border provision of information, the right of portability, deletion, destruction, third-party cooperation management and impact assessment".

The Bank has publicly disclosed the *Personal Information Protection Policy Overview*, which displays the institutional framework of personal information protection policies in a systematic way with the focus on the functional division, management mechanisms, implementation process and standardised measures:

- Standardising the collection and use of personal information and defining personal information, which means all kinds of information that have been recorded electronically or by other means and relating to identified or identifiable natural persons, excluding information that has been anonymised. The above-mentioned personal information mainly includes identity information, property information, account information, identification information, financial transaction information, borrowing and lending information, and other information that reflects certain situations of specific individuals.
- The purpose of collecting and using personal information is to provide clients with quality products or services according to laws and regulations. This includes identifying and verifying personal identity for the protection of account and e-CNY wallets security; assessing the capability and conditions for contract fulfilment for business access and risk prevention and control; necessity for the provision of products or services; protecting fund security; improving client relationship and service experience; fulfilling statutory obligations (e.g., anti-money laundering obligations); other purpose prescribed by laws and administrative regulations or approved by clients.
- The methods for collecting personal information include: collecting information provided by clients on their own initiative when providing financial services; collecting service-related information formed during the process of providing financial services; collecting credit information and behaviour information of clients from credit investigation agencies, credit management companies, credit evaluation agencies or similar agencies permitted by relevant legal and regulatory institutions; collecting information that is necessary for services from government bodies, judicial authorities, and public institutions; collecting information that is necessary for the services provided by the Bank, when authorised by the clients, from natural person, legal person and other organisations that retain client information; any other methods prescribed by laws and administrative regulations or permitted by clients.
- The scope and purpose of personal information collection: when providing products or services for clients, the Bank will collect information entered by clients on their own initiative in the process of using the Bank's products or services or generated during the use of products and services. The types of personal client information collected herein shall be directly related to the realisation of the business functions of products and services and no client information irrelevant to the business will be collected.
- Scenarios involving the use of personal information include: maintaining and improving business functions when providing clients with the Bank's products or services as authorised; continuously collecting and using information with client authorisation during the ongoing financial service period; summarising, statistically analysing and processing the usage of services (excluding identification information) to improve product or service experience and prevent risks; sending service status notifications and commercial information about related products or services to clients on the premise of obtaining their independent and voluntary consent; other purposes as authorised by the client, necessary for the performance of statutory duties or obligations and permitted by laws and administrative regulations.
- Filing, protecting and retaining time boundaries of clients' personal information. When the Bank ceases to provide financial products or services, the Bank will immediately stop client information collection and data analysis and application activities, unless otherwise regulated by relevant governing departments of the state and the industry.
- Relevant provisions on using Cookie and similar technologies, and on sharing, transferring or disclosing clients' personal information.
- Granting rights to control personal information, including acquisition/access, rectification, deletion, portability, restriction of processing, withdrawal of authorisation, and refusal of processing.

Data security

The Bank keeps refining the policy system for data security and information protection and building a complete institutional framework. The Bank formulated and issued multiple regulations and policies on data governance and information security, including the *Management Measures for Data Security* as the core basic policy, and simultaneously issued the *Implementation Rules for Classified and Hierarchical Data Protection*, the *Contingency Plan for Data Security Incidents*, the *Implementation Rules for Data Security Protection Impact Assessment* and the *Regulations on the Security Management of Third-Party Cooperation Data*. The Bank closely follows regulatory developments, revised and issued the *Management Measures for Data Security* and *Contingency Plan for Data Security Incidents* in April 2025 in accordance with the National Financial Regulatory Administration's *Rules on Data Security of Banking and Insurance Institutions* to ensure that new regulatory requirements are effectively internalised. The Bank establishes a sound institutional management system concerning data security, information security and privacy protection by specifying the allocation of responsibilities and refining management strategies. The Bank's data security policies have already covered all business lines and domestic and overseas operations. Overseas operations are required to abide by laws and regulations and industry regulatory requirements of the countries (regions) where they are located.

Granting Client Rights to Control Personal Information

The Bank strictly abides by relevant laws, regulations, and regulatory requirements to fully protect clients' control over personal information. The scope and specifications of exercising the rights include the right to know, acquiring/accessing, correcting, deleting and transferring personal information; the owner of personal information cancelling account; restricting the automated decision-making by information systems, and timely responding to the abovementioned requests from clients.

Right to acquire/access information

Clients have the right to acquire a copy of personal information when accessing personal information. When clients request to consult and copy their personal information or request explanations of the information processing rules, the Bank provides relevant information or process such requests within the scope permitted by laws, regulations, and industry norms and ensures that the legitimate rights and interests of other institutions and clients are not infringed upon. Clients have the right to access personal information through the Bank's international website, online banking, mobile banking, telephone banking and other channels, unless otherwise prescribed by laws and administrative regulations.

Right to rectify information

Clients can choose to rectify personal information at outlets. In principle, this shall be conducted by the clients themselves. However, certain information such as fixed telephone numbers, contact addresses, work addresses, occupation information, nationality, and document expiration dates could be handled by representatives on behalf of the clients, subject to verification of the representatives' and the clients' valid identification documents and related supporting materials at outlets, where the information of the representatives should also be collected. Where the regulatory authorities regulate otherwise, the relevant regulations shall prevail. Clients have the right to correct and update personal information through the Bank's international website, online banking, mobile banking, telephone banking and other channels, unless otherwise prescribed by laws and administrative regulations.

Right to delete information

Clients are entitled to delete their personal information. Deletion of personal client information refers to the act of completely removing personal client information from various systems involved in the realisation of daily business functions to ensure that relevant information is in a state that cannot be retrieved and accessed, so as to fully protect client information security and privacy. Under any of the following circumstances, the Bank would voluntarily and promptly delete personal client information without undue delay. If the Bank fails to delete relevant information, clients have the right to request the Bank to delete. The Bank attaches great importance to such requests and responds promptly to effectively protect the legitimate rights and interests of clients:

- The processing of personal information by the Bank violates laws and regulations;
- The Bank collects or uses personal information without client consent, or the consent has been withdrawn;
- The processing of personal information by the Bank violates the agreement with clients;
- Clients cease to use the Bank's products or services, or cancel the accounts;
- The Bank ceases to provide products or services, or the storage period of personal client information has expired;
- The purpose of personal client information processing has been achieved, cannot be achieved, or is no longer necessary for achieving the processing purpose;
- The Bank unavoidably collects personal client information that is unnecessary or is not permitted by the clients when using automated collection technology; or
- Other circumstances as prescribed by laws, regulations, or administrative regulations.

If the client's request of deletion is decided to be responded, the Bank will, at the same time, notify the entities that obtain personal information from the bank, requiring them to delete the information in a timely manner, unless otherwise prescribed by laws and regulations, or the entities have obtained independent authorisation by clients. When clients delete information from the Bank's services, the Bank may not immediately delete the corresponding information from the backup system, but will delete the information when the backup is updated. Where the storage period as prescribed by laws and administrative regulations does not expire, or it is technically difficult to realise the deletion of information, the Bank will stop processing personal information other than storing and taking necessary security measures.

Right to transfer information

Clients are entitled to transfer their personal information. Where the conditions prescribed by laws and administrative regulations are met, clients have the right to request the Bank to transfer their personal information to other personal information processors. The Bank will provide personal information in a format that facilitates subsequent processing, and use technical means to ensure data security during transferring. The Bank shall provide the means for such transfer if it is technically feasible or the conditions prescribed by the State cyberspace administration are met. When assisting clients in the transfer of their information, the Bank will delete data that may violate the rights of others.

Right to cancel accounts

The registered users of the Bank's products or services can go to the outlets for account cancellation through channels such as the counters of the Bank, E-mobile terminals or self-service devices. They can also choose to cancel accounts by themselves via mobile banking, online banking, SMS financial services, international websites and other channels according to the relevant regulations of business management.

Restricting automated decision-making in information systems

In certain business functions, the Bank may make decisions based solely on non-human automated decision-making mechanisms including information systems and algorithms. Clients have the right to seek an explanation from the Bank if these decisions significantly affect their legitimate rights and interests, and the Bank will provide appropriate solution. The Bank follows the principle of fairness and reasonableness when using automated decision-making. When carrying out information push and marketing to clients through automated decision-making, the Bank also provides options that are not targeted at personal characteristics, or offers convenient refusal methods to individuals. When making decisions that have significant impacts on the clients' rights and interests through automated decision-making, the Bank will make an explanation to clients. Clients have the right to refuse decision-making solely by automated means.

Right to know the collecting and processing of personal information

Before processing client information, the Bank will authentically, accurately and completely inform clients of the processing of personal information through privacy protection policy, personal information authorisation agreement, etc., in clear and understandable language and noticeable way. Where processing of sensitive personal information is involved, the Bank will inform clients of the necessity of processing their sensitive information and the impact on them. The processing of personal client information by the Bank is based on client consent, which should be voluntarily and explicitly given by the clients on the premise that the clients are fully informed of, except for where laws and administrative regulations require and no consent of individuals is needed. Before providing client information for overseas parties, the Bank will obtain the independent consent of clients and fulfil the security assessment process required by the State cyberspace administration.

Please refer to *Personal Information Protection Policy Overview* for the details on other rights of control over personal information granted to clients.

Privacy and Data Security Protection Measures

The Bank continuously strengthens information security and privacy protection measures. The Bank improves the data security technical protection system featuring “prevention from external attacks and theft, prevention from internal data leakage, and comprehensive security monitoring”, covering the entire data lifecycle for protecting client privacy and data security. The Bank formulates IT solutions for personal information privacy protection that focuses on client information access control, corporate client information de-sensitisation and other key sectors. The Bank actively promotes the development of the data access control security platform to achieve precise access control and dynamic desensitisation of personal information data during the use. The Bank keeps refining the business control mechanisms on personal client information protection, improves the privacy policy system, strengthens authorisation control, and takes security control measures for the use of personal information that combine authorisation approval and machine control.

■ Minimal data collection and retention

Minimal data collection

The Bank strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other relevant laws and regulations. Adhering to the principle of minimal necessity during the collection of personal client information, the Bank clearly informs clients of the processing measures through full lifecycle of data, including personal information collection, storage, processing, transmission, provision, disclosure, and deletion in various public texts such as privacy policies and authorisation agreements.

Before collecting client information, the Bank strictly follows the “client notification-consent” process to authentically, accurately and completely inform clients of the processing of personal information in clear and understandable language, whereby clients voluntarily and clearly make well-informed decisions about giving consent. The personal client information collected by the Bank is used to realise the business functions of the products or services.

During the collection of personal client information, the Bank shall not use fraudulent, deceptive, or misleading methods, and shall clearly inform the function of personal client information collection associated with products or services. The Bank strictly prohibits obtaining personal client information through illegal channels, and does not collect client information by using improper means or coercion. Clients are not required to provide generalised authorisation for the processing of personal client information. The Bank pays attention to the quality of information to avoid the adverse impact on the rights and interests of clients caused by inaccurate and incomplete information. When clients request to correct or supplement personal information due to inaccuracy or incompleteness, the Bank will correct and supplement it in a timely manner after verification. When collecting client information through automated means, the frequency of collection is the minimum frequency necessary to fulfil the functions of the products or services.

When ceasing to provide relevant financial products or services, the Bank will stop the information collection and data analysis and application of the client information. Where national or industry authorities have other provisions, the relevant provisions shall prevail.

Minimal data retention

The Bank retains personal client information for the shortest period necessary to achieve the authorised purposes, except as otherwise required by law or administrative regulations. After the retention period expires, personal client information will be either deleted or anonymised. If the retention period stipulated by law or administrative regulations has not expired or it is technically difficult to delete personal client information, the Bank will only retain the storage and take necessary security measures, and will not perform other processing. When ceasing to provide relevant financial products or services, the Bank will simultaneously stop the information collection and data analysis and application, but if the national or industry authorities have other provisions, the relevant provisions shall prevail.

The Bank complies with the management requirements of data classification system when storing personal client information and data. For paper materials, the Bank specifies detailed requirements for the protection of paper files of personal client information in business management system or process, determines the risk control process and authorisation & approval mechanism for the storage and transfer of paper files, to strictly manage and control the paper documents containing personal client information.

Retention regulations	Retention period
Anti-money laundering regulations	Documents acquired and prepared for the prevention and detection of money laundering and terrorist financing (including identity information, transaction records, large transaction and suspicious transaction reports, etc., of clients) shall be kept for no less than 10 years after the completion of the transaction or the termination of client relationship.
Fund agency sales regulations	According to the <i>Measures for the Supervision and Administration of Sales Agent of Publicly Offered Securities Investment Funds</i> and other fund management regulations, fund sales agents shall establish a sound archive management system, and properly keep investors' account opening information and other information relating to fund sales business. The investors' identity information shall be kept for at least 20 years from the year in which business relationships end, and other information relating to fund sales business shall be kept for at least 20 years from the year in which the business occurs.
Regulations on wealth management products agency sales	According to the <i>Interim Measures for the Administration of Sales of Wealth Management Products of Wealth Management Companies</i> , wealth management products sales agents shall establish a sound archive management system and properly keep investors information relating to wealth management products sales, and the retention period shall not be less than 20 years.
Bank card acquiring regulations	According to the <i>Measures for the Administration of Bank Card Acquiring Business</i> , the card acquiring operations shall keep the application materials, qualification review materials, agreements, training and inspection records, information changes, termination of cooperation and other files of special merchants for at least 5 years after the termination of the service.
Regulations on management of credit investigation materials	Where payment institutions cooperate with banks in bank account payment or collection business, the <i>Measures for the Administration of Bank Card Acquiring Business (Notice No. 9 [2013] of the People's Bank of China)</i> , the <i>Administrative Measures for the Online Payment Business of Non-Banking Payment Institutions (Announcement No. 43 [2015] of the People's Bank of China)</i> and other regulations shall be strictly abided by to ensure the authenticity, integrity, traceability and consistency of transaction information in the whole payment process, and no transaction information shall be tampered with or hid. Transaction information shall be kept for at least 5 years.
Remote intelligent banking call-in regulations	All kinds of tables and documents generated by call-in business including electronic documents, voice data, written data, etc., shall be kept for at least 5 years from the date of business completion.
E-CNY regulations	The e-CNY wallet belonging operations shall keep the wallet information for at least 5 years after the cancellation of e-CNY wallet.
External Data Management Regulations	The Bank strictly follows the <i>Data Security Law of the People's Republic of China</i> , the <i>Personal Information Protection Law of the People's Republic of China</i> , and the People's Bank of China's <i>Credit Reporting Business Management Measures</i> and other laws and regulations. After obtaining data from government agencies, public institutions, and credit reporting agencies, with client authorisation, the Bank calls in real time and embeds external data in business processes through API (Application Programming Interface) services. The data is mainly in the form of scores, labels and statistical data, checked on demand, without retaining data.

Promoting hierarchical data security protection

The Bank has issued the *Implementation Rules for Classified and Hierarchical Data Protection*, established data classification and recognition specifications, specified classified and hierarchical data management and protection requirements, and conducted data classification and grading based on sorting of data resources. The Bank clearly defines the working steps for the implementation and dynamic adjustment of data classification and grading, as well as hierarchical protection requirements for data at different security levels in activities such as collection, processing, use and external sharing. In addition, the Bank has applied machine learning to develop an automatic grading model of data security to realise automatic preliminary decision of data security level. With this model, combined with manual recheck, the Bank has completed classification and grading labelling based on the data dictionary, which serves as an important basis for adopting differentiated security protection measures. The Bank has established a data classification directory and implemented dynamic management, exploring the structured content identification and classification labelling of unstructured data to enhance the foresight and comprehensiveness of data security classification. Meanwhile, the Bank strengthens the identification and proposal of data security requirements, promoting the simultaneous launch with business requirements to balance business development with security protection.

Continuously improving technology-enabled data security protection capability

The Bank strictly implements requirements of the *Regulations on the Management of Data Security Technology for Information Systems (2024 Version)*, and continuously enhances data security technological prevention capabilities. In the first half of 2025, the Bank has optimised the production data extraction service process, and improved sensitive data detection and destruction, further strengthening the security management of production data extraction and terminal data usage.

Conducting unified management of privacy authorisation across the Bank

The Bank has established a client privacy authorisation management platform, integrated client privacy data authorisation contracting information from various business lines, and developed a cross-line and cross-system management component of client authorisation across the Bank. The Bank strengthens the compliance management and security control of the use of personal data, develops approval procedures of authorisation template, authorisation agreement and authorisation record, standardises agreement information management and data authorisation management procedures, and uniformly manages authorisation for personal tranquillity rights, privacy, individual consent, and other scenarios. In addition, the Bank comprehensively implements scenario-based and differentiated management of client information service, minimises the disturbance to clients and effectively protects the relevant rights and interests of personal clients.

Comprehensive monitoring and analysing data breaches

The Bank continues to promote internal and external sensitive information monitoring and improve technology-enabled data security monitoring scenarios. In terms of internal monitoring, the Bank focuses on technology-enabled monitoring scenarios such as the use of production data and employees' copying of data through USB drive. In terms of external monitoring, the Bank focuses on scenarios such as data breaches through external Internet, and phishing sites, spoof websites and fake Apps masquerading as the Bank cheating clients out of their information.



Verifying the effectiveness of the technology-enabled data security protection system

The Bank actively participates in the cyber-attack and defence drills organised by the State and the industry, regularly conducts internal cybersecurity attack and defence drills, and verifies the technology system that protects the cyber and data security of the information system through practice, so as to improve the security protection capability and build a high-level technology team of data security protection and control. The Bank carries out cybrecaster penetration testing on a regular basis, focusing on matters concerning network security and data security. In March 2025, the Bank organised internal and external security teams to carry out internal cybersecurity attack and defence drills that simulate real cyber-attack and defence scenarios across the Bank, conducted tests of cyber-attack on the entire Group (including Operational Data Centre, domestic branches, overseas institutions and subsidiaries), so as to verify the level of technology systems protecting the cyber and data security of all institutions. In response to the problems found in the drills, the Head Office held a special meeting on the rectification of internal attack and defence drills, and organised relevant personnel to conduct investigations and analysis to ensure that all problems found can be rectified.

Emergency response plan

The Bank is committed to building emergency management mechanisms on privacy and data security and keeps improving emergency response procedures of data security incident. The Bank has consolidated the institutional system including the *Measures for Personal Customer Information Protection*, the *Management Measures for Data Security*, and the *Contingency Plan for Data Security Incidents*, clarifying the division of responsibilities for data security risk monitoring and emergency management of data security incidents, standardising the grading of data security events, response and handling of key scenarios and events, the reporting procedures, and the main points for handling key event scenarios. The Bank has established emergency contact mechanisms and coordination mechanisms to improve the emergency handling procedure for data security incidents and enhance emergency management capability of data security incidents.

Proactive measures

The Bank attaches great importance to the prevention of and monitoring over personal client information protection, incorporates personal client information protection incidents into the emergency management mechanism for data security incidents, refines the emergency plan and drill management of data security incidents, and continuously improves the emergency handling mechanisms of data security in various situations. All operations establish and improve emergency management mechanisms in accordance with the Bank's regulations on personal client information protection emergency management and handling, as well as local regulatory requirements, industry management requirements, and actual work conditions. The Bank adds data security monitoring in daily public opinion monitoring, included personal information protection label into the complaint management system and monitored data security incidents through media and complaint channels. The Bank regularly conducts data security emergency drills at the Head Office and at branch level, and promotes the orderly conduct at overseas operations, covering data security incidents such as data breaches and losses, effectively testing the operability of emergency plans and continuously improving the emergency response capacity for data security.

Reactive control

In the event of data security incidents such as information leakage, tampering, or loss of personal clients, the Bank immediately takes effective response measures, controls the situation, removes potential risks and makes a report in accordance with regulations. After the data security incident, the relevant institution where the incident occurred will timely notify the affected personal clients of the situation in accordance with relevant provisions in the contract or agreement (except for those that are not notified as otherwise provided by laws and administrative regulations). Notifications can be made through email, letter, phone call, and push message, covering the information types, causes and possible harms caused by the leakage, tampering or loss of personal client information that has or may occur, as well as the Banks's remedial measures, client loss reduction suggestions, emergency response contact information, etc.

In view of the fact that data security incidents are often intertwined or concurrent with cyber and information security incidents, information system production incidents, regulatory cases, business continuity incidents, reputation incidents, and major events of consumer rights protection, the Bank specifies the requirements and principles of coordinated handling in the *Contingency Plan for Data Security Incidents* to ensure that all parties work together and respond efficiently. The Bank explicitly requires that confirmation with data security management department at the same level shall be made immediately after the occurrence of data security incidents. The corresponding competent authority shall promptly initiate the emergency response, handle and report according to the hierarchy of the incidents, and take control measures from both business and technology perspectives, conduct in-depth analysis of the cause of the incident, and remedy in a timely manner, so as to effectively control the situation, ensure business continuity and prevent the expansion of negative effects.

Third-party Privacy and Data Security Management

■ Institutional basis of third-party privacy and data security management

The Bank continuously strengthens the security management on third parties in their handling of client information, privacy and data, formulates internal regulations such as the *Work Plan of IT Outsourcing (2023-2025)*, the *Management Measures for IT Outsourcing (2023 Version)* and the *Management Measures for Personal Customer Information Protection (2023 Version)* to clarify the requirements on the protection and management of personal client information in third parties. In January 2025, the Bank issued the *Regulations on the Security Management of Third-Party Cooperation Data (2025 Version)*, embedding data security management requirements into the third-party cooperation management process mechanism. It stipulates that before cooperation, the data scope involved should be identified and reviewed to ensure that business adheres to the necessity principle and relevant agreement terms are signed; during cooperation, control should be implemented based on business scenarios to strengthen personnel training, behaviour management, and supervision; and the cooperation party should be urged to fulfil the agreement requirements and delete the data in a timely manner after cooperation. The Bank strictly restricts the purposes and use of authorising third parties to handle client information, standardises the process of third-party data processing and improves the supervision and inspection mechanisms of third-party data processing, so as to effectively improve the security and compliance of third-party data processing and create a safer and more reliable financial service environment for clients.

■ Requirements and authorisation on commissioning third-party institutions to process personal data

The Bank respects client privacy, strictly prohibits the rental, sell or provision of personal privacy data of clients to any third-party for purposes other than completing transactions or services, nor shares client information with financial partners, associates or business partners without clients' authorisation. The Bank requires the third parties to clarify their responsibilities for information security, limits the purpose and use of information collection, processing and retention by third parties, controls data scope, and supervises the third parties to take effective protective measures to ensure the security and confidentiality of client information. In the event of the Bank commissioning third parties to process personal client information due to business needs, the Bank's regulations on commissioned institutions processing personal data and the limits of authority in this regard are as follows:

- Agreeing with the commissioned institutions on the purpose, period, processing methods, information types, protection measures, security and confidentiality requirements of the commission and rights and obligations of both parties;
- Following the principle of minimal necessity in providing data and authorising data access for third parties. The localised deployment of the system and data shall be preferably completed in the bank;
- Regularly organising supervision over and inspection on personal client information processing activities carried out by the commissioned institutions;
- Requiring commissioned institutions to process personal client information in strict accordance with the agreement and the processing shall not exceed the agreed purposes and methods;
- If the commissioning contract does not go into effect, is invalid, revoked or terminated, the Bank requires the commissioned institutions to return relevant personal client information to the Bank and deletes and destroys the information instead of retaining it and takes it down from the relevant systems;
- Without the consent of the Bank, the commissioned institutions shall not recommission other parties to process the Bank's personal client information.

■ Requirements on third parties cooperating with the Bank in products and services

The Bank strictly regulates the product and service cooperation with the third parties, and clearly requires that:

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| <ul style="list-style-type: none"> • The Bank shall clarify the responsibilities and obligations of both parties for the protection of personal client information in agreements or contracts, implement security control measures, and supervise third parties to strengthen information security management; | <ul style="list-style-type: none"> • Clients shall be fully informed when the Bank's Apps, mini programmes, WeChat official accounts direct them to third parties. Where the collection of personal client information is involved, the party performing information collection shall ensure that there is a clear notification to clients that the products or services are provided by third parties. Before processing client information, clients shall be informed according to the law and consent shall be obtained from clients; | <ul style="list-style-type: none"> • In the case of providing de-identification information, the Bank shall require the relevant third parties not to re-identify clients through technical means. |
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■ Management requirements for internal operations in the Bank

The Bank follows the principle of "those who introduce, access and benefit from the cooperation assume full responsibility" before cooperating with third parties. The Bank requires relevant operations to strictly carry out the selection review, conduct impact assessment on personal client information of cooperative institutions, covering business risks, impact on clients' rights and interests, effectiveness in terms of system security, transaction risk control and information protection. All these measures aim to ensure that the purpose and methods of processing personal client information are legal, legitimate and necessary, and that the protection measures taken by the institutions are legal, effective and appropriate to the level of risk. Meanwhile, the Bank strengthens supervision over and management of the cooperation with third parties. In case of any violation of law or agreement, relevant cooperative institutions shall not expand the scope of cooperation before rectification. The Bank will inform the clients of the identity and contact information of the receivers, the processing purpose, methods and information type when it provides client information to third parties, and obtain the clients' separate consent.

■ Management measures on IT outsourcing or third-party cooperation involving personal information of the Bank's clients

For the services of IT outsourcing or third-party cooperation that involve personal information of the Bank's clients, the Bank carries out risk assessments before procurement, and conducts detailed due diligence on the service providers to fully understand their risk prevention and control capabilities. The Bank clarifies the data security responsibilities in agreements, keeps improving emergency management mechanisms, and implements cybersecurity and data security monitoring on service providers, and implements on-site inspection and tracks problem rectification, which covers all important outsourcing service providers. Meanwhile, all IT outsourcing service providers are required to conduct "security and confidentiality" training for all outsourced personnel involved in the services, so as to continually enhance the awareness of information security among outsourced personnel.

When the Bank commissions a third-party to process data in business outsourcing, the Bank controls the scope of commissioned data according to the "minimal necessity" principle, adopts de-sensitisation or encryption to share data in a secure and controllable environment. The Bank signs an agreement with the commissioned institution to clearly define the rights and responsibilities and agrees upon the purpose, period, processing methods, protection measures, and security and confidentiality requirements of the commission, as well as the data security responsibilities and obligations of the commissioned party. The third-party shall notify the clients and obtain their consents before processing the information in accordance with the law. In the *Management Measures for Data Security*, the Bank refines the regulations on data collection from personal information owners and external institutions, and access to third-party ecosystems or external systems.

■ Supervision over and inspection on third-party data processing

Supervision and management mechanisms

The Bank keeps improving the management system on third-party data and privacy security and strengthening the guarantee of security standards for data cooperation with third parties. The Bank has formulated the *Implementation Opinions on Further Standardising Oversight and Assessment of Consumer Protection at Intermediaries*, clarifying the data security management requirements for data sharing within the group, business outsourcing and entrusting processing, and external data sharing. The Bank strengthens the compliance of the agreements for data cooperation with third parties, by formulating security example clauses for data processing activities in third-party cooperation, guiding operations at all levels to comply with laws, regulations and regulatory requirements, and clarifying the responsibilities and obligations of partners in data cooperation security, to safeguard data owners' legitimate rights and interests and ensure compliance and security in the data processing process.

Before introducing third-party partners, the Bank implements strict privacy and data security access audit mechanisms, carries out comprehensive business impact assessment, ensures the compliance of partners in terms of privacy and data security. At the same time, the Bank clearly defines the responsibilities and obligations of both parties in the protection of personal client information through standardised agreements and contracts and implements strict security control measures. If the cooperative relationship has changed or terminated, the Bank requires the commissioned institution to return, delete and destroy the Bank's client personal information, instead of retaining, and turn off relevant systems, to protect client privacy and information security.

During the duration of the contract with third parties, the Bank will keep supervising the implementation of the commissioned parties' data security protection measures to ensure that the third-party service providers comply with the relevant provisions of the *Personal Information Protection Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*, fulfil their obligations of protecting user information and appropriate confidentiality/non-disclosure. The Bank urges third parties to maintain the effectiveness of system security, transaction risk control and information protection, to ensure that the purpose and method of personal information processing are legal, legitimate and necessary, and the protection measures are in line with the degree of risk. The Bank urges third parties to timely rectify problems identified and strengthen supervision and inspection on third parties on their obligations of personal client information protection, so as to protect clients' right of personal information security through concrete actions.

The Bank requires tier-1 branches, CCB Learning Centre (Research Institute), operations directly under the Head Office, audit operations, overseas operations and domestic subsidiaries to implement the impact assessment and inspection on data security protection before conducting business outsourcing and external data sharing, analyse data security risks and the impact on the rights and interests of data subjects in accordance with the purpose, nature and scope of data processing as well as the requirements of laws, regulations and codes of ethics, and assess the necessity and compliance of data outsourcing, the effectiveness of data security risks and preventive and control measures, so as to strengthen data security protection.



Special inspections on personal client information protection

In 2024, the Bank systematically organised special inspection over the entire group on personal client information protection. The Bank regularly conducts special inspections on areas prone to personal client information protection risks, which includes "third-party cooperation management" into the scope of the inspections to check the standardisation of third-party management and personal client information protection performance of third-party cooperative institutions. The scope of the inspection mainly includes:

- ① Whether the cooperation agreement specifies the cooperative institution's responsibilities for personal information security protection and risk management (including data protection responsibility, confidentiality obligation, liability for breach of contract, contract termination and handling provisions in emergencies, etc.);
- ② Whether operations strictly control the behaviour and authority of the cooperative institutions, and take means such as encrypted transmission, security isolation, authority control, monitoring and alarm to prevent the risks of data abuse or leakage;
- ③ Whether operations effectively monitor the fulfilment of personal information protection responsibility of third-party cooperative institutions, and timely handle any violation of personal information security by cooperative institutions;
- ④ Whether operations supervise third-party cooperative institutions in a timely manner to delete or destroy personal client information obtained during the cooperation after the termination of the cooperation.

Through the special inspections on personal client information protection, the Bank further strengthens the supervision over and review of third-party cooperative institutions in fulfilling the responsibilities for personal client information protection, timely identifies non-standardised problems in third-party management, and facilitates the rectification of the problems, so as to ensure that data collection, processing, transmission, management and security measures are standardised and effective during the cooperation between the Bank and third parties.

Compliance Review on third-party data security management

During the cooperation with third parties, the Bank regularly carries out data security compliance inspections of third-party cooperation institutions, conducts regular special inspections of areas prone to risks in the protection of personal client information, and verifies the compliance of third-party cooperation institutions in the implementation of requirements for the protection of personal information, with the inspections covering scenarios for the processing of personal client information within the scope of cooperation between the two parties and the forms of inspections including on-site inspections and self-inspections by the suppliers, etc., ensuring the lawful and compliant use of the Bank's personal client information by the third-party.

In 2024, the Bank carried out special data security inspections, focusing on data security protection of third-party cooperation, in two stages: the first is the self-inspection and risk investigation stage, requiring each operation to organise the business lines and branches to conduct a comprehensive investigation of the key links of third-party data cooperation to ensure that third parties use the Bank's data legally and in compliance with regulations; the second is the on-site inspection stage, selecting 8 branches and 3 subsidiaries, including the prior due diligence and evaluation review of third-party cooperation institutions before cooperation, the standardisation and completeness of cooperation agreements or contracts, behaviour and permission control of third parties during cooperation, and data retention after cooperation termination, etc.

In the first half of 2025, the Bank has issued and implemented the *Regulations on the Security Management of Third-Party Cooperation Data*, stipulating that cooperative institutions must strengthen data security management of third-party personnel, urging third-party cooperation institutions to conduct data security education and sign data security commitment letters before outsourcing personnel take up their posts, taking strict management of outsourcing personnel's data usage rights and methods, and carrying out data security supervision and inspection of cooperative institutions in third-party cooperation. The business management departments supervise the inspection situation of cooperative institutions, and urge prompt rectification of identified issues or terminate cooperation if necessary. Meanwhile, the Bank actively carried out a comprehensive risk investigation of third-party cooperation data security, covering all third-party cooperation scenarios involving data processing activities, benchmarking the requirements of the *Regulations on the Security Management of Third-Party Cooperation Data*, identifying weak links, clarifying control measures, and strengthening supervision of rectification progress.

Privacy and Data Security Related Training

The Bank attaches great importance to the training and education of employees in information security, privacy data protection and trade secret protection, establishing a multi-dimensional, systematic and professional training system for all employees and third-party employees including workers dispatched from labour leasing companies and outsourcing, which covers the basic knowledge and professional capability trainings in terms of personal information protection, data security, etc. Meanwhile, the Bank expands the coverage of training by using online learning platforms, enterprise portals and other channels, strives to enhance professional capabilities and compliance awareness of various types of personnel in the field of data information security, and ensures the effective implementation of privacy and data security protection measures across the Bank.

Training for all employees

Regular training of personal client information protection

The Bank carries out regular trainings of personal client information protection for all employees, including the special training of personal client information protection, thematic training of the *Regulation on the Implementation of the Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, training of client information security, thematic training of the Interpretation of Key Points of Personal Customer Information Protection and Practical Cases, etc. From 2024 to the present, the Head Office and branches of the Bank held 1,114 trainings of "personal client information protection", with a total of 294 thousand person-times participated.

The Bank carries out online training by relying on "CCB Learning", develops one general course for personal client information protection (Interpretation of Key Points of Personal Client Information Protection and Practical Cases) and five microlectures (Fair and Reasonable Automated Decision-making, Information Storage and Transmission in Accordance with the Regulations, Fulfilling the Obligation of Notice and Obtaining Client Consent, Collecting Client Information in Accordance with Laws and Regulations, and Risk Prevention in the Scenarios of Cooperation with Third Parties). The Bank conducts online courseware training of the Employee External Information Security Knowledge Manual (2023 Version), sets up the Section of Personal Client Information Protection, and organises routine training and learning across the Bank and its subsidiaries, so as to enhance the awareness of all employees on personal client information protection and prevent risks and problems. As of now, a total of 4.9 million person-times have studied in this section.

Regular data security training

Relying on "CCB Learning" platform, enterprise portals and other channels, the Bank issues training courses and posts about data security management system introduction and data security assessment videos across the Bank, and set up a column for the data competence knowledge pool to organise independent learning for the whole Bank, covering laws, regulations and regulatory requirements on data security, the introduction of the Head Office's data security regulations and management systems, data classification and grading protection, data security management of third-party cooperation, and data security assessment requirements, etc. Up to now, the column has attracted more than 3.78 million person-times across the Bank for data security learning.

The data management departments and business departments at the Head Office and branches, as well as sub-branch outlets carry out data security training according to their actual work. Through data security mini class, case training for warning and education, and knowledge quiz in ways of online teaching and offline group learning, the Bank integrates the idea of data security into daily work. From 2024 to the present, the Bank's Head Office and branches have conducted a total of 1,167 training sessions on "data security", with a total of 733,000 person-times participated.

In addition, security training such as CTF (Capture The Flag) skills trainings, security attack and defence drills, security R&D and skills training were organised for the entire Group to consolidate the network security skills of employees.

Trade secret protection training

The Bank regularly conducts trainings on trade secret protection, including the introduction of relevant laws and regulations and the Bank's management requirements on trade secret protection. The training courses are designed for all employees to improve their capabilities for protecting the Bank's trade secrets, client information and privacy data. In 2024, 250.4 thousand people across the Bank participated in the training.

Training for third-party employees involved in workers dispatched from labour leasing companies and outsourcing

The Bank continues to expand the categories of personnel covered by trainings related to privacy and data security protection. On the basis that all regular employees are covered, the Bank carries out special privacy and data security trainings encompassing relevant work scenarios for third-party personnel involved in workers dispatched from labour leasing companies, outsourcing, etc., strengthens the awareness of relevant personnel on data privacy protection, implements supervision over risk procedure, and ensures the full coverage of all personnel. Data security and personal information protection training requirements are clarified for outsourced service providers through agreements or contracts, and training for outsourced service providers is organised by relevant organisations within the Bank in accordance with the principle of "whoever introduces is responsible".

From 2024 to the present, the Head Office and branches of the Bank carried out 223 trainings for workers dispatched from labour leasing companies on personal client information protection and data security, with a total of 1,984 person-times participated. The trainings involve personal client information protection, information security, data security, business compliance and other relevant regulations and management requirements. 1,443 trainings were conducted for outsourcing-involved personnel and other third-party personnel with a total of 65 thousand person-times participated. The trainings involve data security management system and compliance management requirements, terminal security management systems and requirements, personal information protection, confidentiality education, cybersecurity, code of conduct, etc.

Training for specialised personnel

Thematic courses on data security

The Bank keeps improving data security training system, and in July 2024, the Bank carried out data security training for data security management specialised personnel, including basic knowledge of data security, data classification and hierarchy, data security assessment, data security inspection requirements, etc. In 2024, the Bank launched an online themed training on data security for all employees across the Bank and organised data security training courses and exams for all employees and key position personnel to complete. The Bank has incorporated data security training into the curriculum system for fostering data talents and included the basic knowledge of data security into various training contents, covering multiple business lines such as personal finance, corporate finance, risk management, science and technological and channel operations. From 2024 to the present, the Head Office and branches have conducted 1,031 training sessions for data security management specialised personnel, with a total of 59,000 person-times participated.

Themed training for personal client information protection

In November 2024, the Bank held a training session on personal client information protection for specialised personnel in this area, covering relevant laws and regulations, and requirements for managing personal client information, etc. The Bank further expands the training channels of personal client information protection, includes the training courses on personal information protection into the training class for business lines of client rights and interests protection, FinTech and housing finance across the Bank, and enhances employees' compliance awareness regarding personal client information protection. From 2024 to the present, the Head Office and branches have conducted 596 trainings on personal client information protection for specialised personnel, with a total of 17,000 person-times participated.

Training for client information protection

The Bank regularly holds training classes for management personnel of consumer rights protection and personal finance business, covering the heads of consumer rights and interests protection departments at tier-1 branches and relevant subsidiaries. Through the in-depth trainings on key requirements of client information protection, the Bank keeps increasing the professional capabilities of frontline personnel, improves their compliance awareness, enhances the implementation effects of relevant key protection points in real work, ensuring that client information is effectively protected.

Privacy and Data Security Audit

The Bank continues to improve supervision and management systems in the field of privacy and data security, builds audit and supervision mechanisms on privacy and data security internally and externally, timely reviews the progress of work in relevant fields, and dynamically identifies the priorities for improvement. Through concrete efforts, the Bank ensures that institutional standardisation, protective measures, training and development and other work in privacy and data security are implemented effectively. During the audit, the Bank focuses on core areas such as cybersecurity, personal information protection and data security, conducts various tests such as cybersecurity architecture, external cyber-attack threat treatment, technical capabilities of security components, cybersecurity operations, and the full-lifecycle management of personal information in systems, aiming to improve privacy and data security management and strengthen the systematic prevention and control of privacy and data security.

External audit of information systems

The Bank engages a third-party accounting firm to conduct an external audit of information systems that encompasses the operations across the Bank every six months. The audit covers all major information systems of the Bank, including IT governance, system development and launch management, system operation and maintenance management, and system security access management, etc. Tests are conducted on the development, operation and maintenance, and security management of the systems as well as the automated control of the systems with a focus on system access security, business continuity and other processes. In addition, the audit pays close attention to data security, cybersecurity and other key fields.

Information security assurance

The Bank engages a third-party accounting firm every year to perform assurance of the IT services provided by the Head Office to overseas operations. The 2024 ISAE3402 (International Standard on Assurance Engagements 3402) assurance report on controls at a service organisation, the SOC2 report on the system and institutional control, the IT-related control assessment report on personal information protection and the data centre threat and vulnerability assessment report have been issued, and the assurance matters for 2025 are underway to ensure the continuous and effective implementation of control.

Grade-based cybersecurity protection evaluation and cryptography application security assessment

According to the grade-based cybersecurity protection criteria for the financial industry and a series of standards for information system commercial cryptography application, the Bank engages a qualified third-party appraisal institution to evaluate the filing systems at Grade III or above of cybersecurity every year. The Bank's core business processing system and other systems have passed the 2024 grade-based protection evaluation and cryptography application security assessment.

Information security special audit

The Audit Department of the Bank conducts data and information security special audits annually, achieving the full IT audit coverage of the Head Office, branches and CCB FinTech within a three-year cycle. In the first half of 2025, the Bank conducted cybersecurity and personal information protection audits at samples including some of tier-1 branches, Head Office departments, directly affiliated operations and CCB FinTech. The cybersecurity audits focus on the group's cybersecurity governance system, cybersecurity technical architecture and platform support, supply chain security and cybersecurity operation risks; the personal information protection audits centre on key stages like the collection, notice and consent, usage, third-party cooperation, impact assessment, and supervision and inspection of personal client information. Currently, both audit projects are underway.

Data and Information Security Management Certification

The Bank continues to strengthen the establishment of data and information security management systems, works to improve the overall information security and privacy protection capabilities, and stays committed to promoting internationally recognised information security management system certification. The Bank has passed the ISO 27001 Information Security Management System Certification, the business scope of the certification includes the operation and maintenance of the Head Office's information systems and the CCB cloud platforms and cloud services, as well as the planning, development and technical operation management of infrastructure across the Bank. The Bank has realised unified enterprise-level architecture management, applications at branches have basically migrated to CCB cloud, and ISO 27001 certification has covered more than 98% of the business-related systems. The Head Office of the Bank has passed the SOC2 assurance of the security, availability, integrity and confidentiality of the Head Office's technology services.

ISO 27001 certification covering
more than **98 %**
of the business-related systems



Access to Finance

The Bank deeply grasps and earnestly implements the political and people-oriented nature of finance, continuously introduces new financial products and service models, actively expanded the coverage of financial services, and continuously enhances the accessibility of financial services. In key areas such as serving the real economy and providing relief to enterprises, the Bank actively explores differentiated and characteristic financial service solutions, and makes effort to facilitate the access to high-quality financial resources for various market participants and the public. As of the end of the first quarter of 2025, the Bank had recorded outstanding inclusive finance loans of RMB3.63 trillion, outstanding agriculture-related loans exceeding RMB3.5 trillion, and outstanding corporate housing rental loans of RMB358.454 billion, effectively supporting the diversified financial needs of various groups.

Management System

The Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board of Directors of the Bank is responsible for overseeing and guiding the Management in promoting the work related to inclusive finance and rural revitalisation finance, etc. In the first half of 2025, the committee listened to the *Report on the Progress of the Work on the Inclusive Finance* to guide the further strengthening of inclusive finance risk management, promoted product optimisation and structural adjustment, and enhanced the comprehensive capacity of inclusive finance for sustainable development. The committee listened to the *Report on the Progress of Financial Services for Rural Revitalisation* to further strengthen overall coordination, continuously strengthening innovation in agricultural loan products, and improve the risk management level of agricultural financial business.

The Inclusive Finance Development Committee of the Management of the Bank is responsible for coordinating the development of inclusive finance business across the Bank, studying and implementing the policies and plans of the CPC Central Committee, the State Council and regulatory agencies on inclusive finance, and the requirements of the Party committee of the Head Office of the Bank, the Board of Directors and President's Office Meetings for promoting the development of inclusive finance in the Bank, and reviewing major operation and management matters within the committee's authority. In May 2025, a meeting of the Inclusive Finance Development Committee was held to listen to the progress report on inclusive finance business, deploy key tasks, and point out that it is necessary to adhere to the standards of high-quality development, earnestly deepen the reform of the inclusive finance business operation and management model, and make every effort to write a good article on inclusive finance.

The Inclusive Finance Department of the Bank is responsible for leading the work related to inclusive finance business, coordinating the inclusive finance business and comprehensive management and service management of small and micro enterprises of the Bank. In the first half of 2025, the Bank fully implemented the spirit of the Central Financial Work Conference, made every effort to do a good job in inclusive finance, issued and implemented the *Implementation Plan and Key Points for the Development of Inclusive Finance Business in 2025*, clarifying the development direction of inclusive finance business and making arrangements for inclusive finance work throughout the year.

The Rural Revitalisation Finance Department of the Bank is responsible for promoting the development of county and rural financial business of the Bank. In the first half of 2025, the Bank actively focused on coordinating new urbanisation and comprehensive rural revitalisation, and strived to promote the high-quality development of county and rural finance. The *Implementation Opinions on the High-quality Development of County and Rural Finance in 2025*, the *Plan for Effectively Connecting of Consolidating and Expanding Poverty Alleviation Achievements with Rural Revitalisation in 2025* and the *Key Points for County and Rural Finance in 2025* were issued and implemented to further clarify the overall strategy of county and rural financial services, and optimise resource guarantee and overall coordination mechanism.

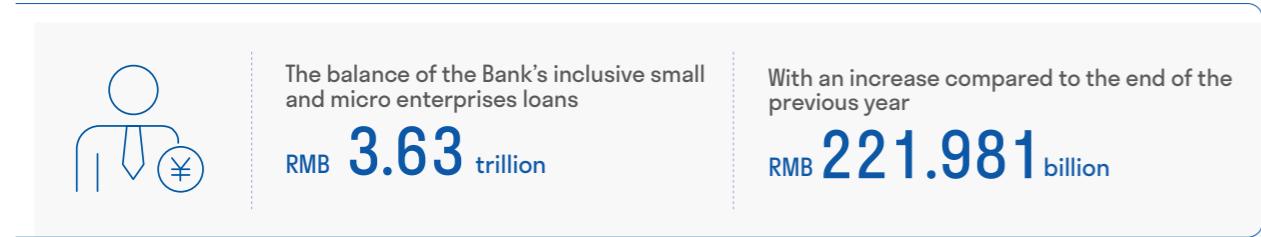
Serving Inclusive Client Groups

The Bank focuses on inclusive client groups, and takes multiple measures to boost the quality and efficiency of financial services. Targeting the actual needs of inclusive client groups such as small and micro business owners and self-employed individuals, the Bank further steps up financial support, and continuously expands the breadth and depth of financial services. To address two major pain points in the traditional model—namely, incomplete credit information and ineffective evaluation methods, as well as the global challenge of difficulty in financing and high financing costs for small and micro businesses—the Bank has improved the intelligent risk control system and refined business processes, which effectively expands the coverage of inclusive finance services. The Bank strives to ensure that small and micro businesses, which previously had limited access to financial services, can enjoy reasonably priced financial services with dignity, thus contributing to the achievement of UN SDG 8.10, which aims to enhance the accessibility of financial services.

Increasing financial support for inclusive clients

The Bank actively promotes the in-depth development of inclusive finance services, and continuously improves the quality of services for various inclusive client groups. As of the end of the first quarter of 2025, the balance of the Bank's inclusive small and micro enterprises loans had been RMB3.63 trillion, with an increase of RMB221.981 billion from the end of the previous year; the number of loan clients was 3.6 million, with an increase of 0.24 million from the end of the previous year.

As of the end of the first quarter of 2025



In underserved regions of financial services, such as Xizang, Qinghai, Ningxia, Gansu and Xinjiang, the Bank continuously carries out extensive inclusive finance business. As of the end of the first quarter of 2025, the Bank had provided a total of 66.6 thousand local inclusive clients with loan support of more than RMB32 billion during the year, effectively alleviating the financing difficulties of small and micro enterprises. In addition, the Bank launched credit loans, first-time loans and other diversified service solutions to effectively solve the financing difficulties of the inclusive clients.

Deeply integrating online and offline services

The Bank continues to enhance the inclusive finance service system. Based on the differentiation characteristics and diversified demands of inclusive client groups, the Bank constantly optimises digital service functions, and innovatively expands more inclusive finance service scenarios. The Bank improves the functions of online service platforms, enriches service contents, and advances the development of characteristic outlets, building a multi-tiered service network with extensive coverage, striving to enhance service quality.

Targeting the diversified demands of inclusive finance client groups such as small and micro enterprises, self-employed individuals, agriculture-related clients, sci-tech innovation groups, and upstream and downstream clients across supply chains, the Bank works to build a comprehensive digital service system based on "CCB Huidongni" integrated eco-service platform. The platform integrates financial services including credit financing, account settlement, investment and wealth management, merchant services, and e-CNY, which can be handled both online and via mobile terminals. Also, the platform introduces non-financial service scenarios such as financial management, express delivery, logistics and business travel, providing one-stop operation and management solutions. In collaboration with government agencies, enterprise platforms, and other third parties, the Bank extends financial services into high-frequency application scenarios, and empowers clients' development by cooperating with multiple market participants. As of the end of the first quarter of 2025, the "CCB Huidongni" App had accumulated 438 million visits and 43.79 million downloads, serving 14,597.9 thousand corporate clients, with an increase of 459.7 thousand clients over the previous year.

In terms of offline service network building, the Bank strives to build characteristic inclusive finance outlets. As of the end of the first quarter of 2025, the Bank had established 2,881 characteristic inclusive finance outlets, designated 23 thousand inclusive finance specialists, and set up 288 inclusive finance service centres, enabling 99.48% of outlets to provide inclusive finance services, and establishing a specialised and efficient offline inclusive finance service network with extensive coverage.

As of the end of the first quarter of 2025

Characteristic inclusive finance outlets	Inclusive finance service centres	Enabling outlets to provide inclusive finance services
2,881	288	99.48 %

Striving to enhance the comprehensive service capabilities

The Bank further promotes the "ecosystems + industrial and supply chains + industrial and business clusters" service model. Focusing on professional markets, industrial parks, cooperation platforms and other small and micro business entities, the Bank focuses on the increasingly diversified financial needs of clients, gives full play to the Group's strength in fintech and financial licences, integrating diversified financial products, such as payment and settlement, merchant acquiring, payroll agency services, and wealth management, to provide targeted services for small and micro enterprises of different business types and development stages, improving the level of refined and differentiated services. With the theme of "benefiting hundreds of industries and ten thousand of enterprises", the Bank organises and carries out activities such as the Exclusive Entrepreneurship Season to provide services and rights to enterprises, optimising service supply and enhancing customer experience.

Driving Data Application Innovation

The Bank continues to strengthen the innovation of digital inclusive finance models and constantly expands the scope of data applications. Focusing on scenarios such as customer marketing, application access, quota calculation, credit management, early warning monitoring, collection and disposal, loan renewal management, and business operations, the Bank has developed hundreds of multivariate data models, using data as the main production factor and models as the primary production tool. By integrating small and micro enterprise data of fund settlement, transaction flow, and investment management with external business, tax, and credit data, the Bank comprehensively analyzes the creditworthiness information of small and micro enterprises, forming an evaluation model tailored to their characteristics, which addresses financing challenges caused by irregular financial statements and information asymmetry. This effort contributes to achieving the UN SDG 8.10 goal of enhancing financial service accessibility.

To address the "short-term, small-scale, frequent, urgent, and dispersed" needs of small and micro enterprises, the Bank extracts key features and credit evaluation factors to build a SME scorecard model. This model allows for online evaluation of repayment ability and willingness, as well as standardized and automated approval processes. This transformation from traditional offline manual operations to online systems significantly improves service efficiency.

Enhancing the Supply of Sustainable Products

To better serve small and micro enterprises, individual businesses, agricultural clients, supply chain customers, and those in specialized sectors, the Bank adopts a differentiated assessment and service design approach. Since the launch of the "Quick Loan for Small and Micro Businesses" product in 2016, the Bank has continuously innovated and upgraded our offerings, which has resulted in five major product systems of "Quick Loan for Small and Micro Businesses" "Quick Loan for Personal Business" "Yunong Quick Loan" "Quick Loan for Transactions" and "Goodwill Loan", forming a diverse product portfolio catering to entry-level, growth-stage, general-purpose, and customized needs.

Since 2024, the Bank has further developed the "One-Two-Three-Three-Four" inclusive product system. It consolidates the first mover advantages of the one "Quick Loan for Small and Micro Businesses" brand and ensures seamless integration between two evaluation methods: credit scorecards and ratings-based assessments. By focusing on the distinct needs of three key customer groups—corporate entities, individuals, and tech startups—the Bank optimizes three operational models: online self-service, online-offline hybrid, and traditional offline services. Furthermore, the Bank flexibly combines four product elements—credit limits, terms, interest rates, and collateral requirements—enabling faster matching, broader coverage, and safer financial services. As of the end of Q1 2025, the loan balance of "Quick Loan for Small and Micro Businesses" had reached RMB2.97 trillion, 4.8% up from the end of 2024 (RMB 2.83 trillion), having served in total of more than 5.7 million customers since its launch.

Supporting Rural Revitalisation

The Bank provides financial support for rural revitalisation, deepens cooperation with local governments, agricultural enterprises, among others, values technological empowerment, and expedites the building of financial scenario platforms in rural areas. The Bank focuses on the critical areas, key regions and core client groups involved in rural revitalisation, and comprehensively meets the diversified and multi-tiered demands of agriculture-related clients for financial services through innovative financial products and service models. To address the challenges of limited financial resources in rural and county areas, as well as issues such as poor creditworthiness and difficulty in evaluation for agriculture-related entities, the Bank leverages our advantages in channels and technology, innovating agricultural service models and utilizing financial technology and big data to create innovative credit products. These efforts effectively solve the challenges related to credit evaluation for rural entities, enhance service convenience, reduce financial risks, and continuously improves the coverage and accessibility of services in areas facing a shortage of financial services. Our initiatives contribute to achieving the United Nations SDG 8.10, which aims to enhance the accessibility of financial services.

■ Building agricultural related financial service system

The Bank improves the agriculture-related financial service model that covers all scenarios, client groups and industrial chains, focusing on the “Yunong Market” agricultural business cluster, the seed industry chain, and the edible fungus industry cluster, etc., to create an agriculture-related “circle-chain-cluster” service model, and to assist the high quality development of agricultural industry. As of the end of the first quarter of 2025, the Bank’s outstanding agriculture-related loans had been RMB3.56 trillion, with an increase of RMB231.063 billion, and a growth rate of 6.93%, compared with the end of 2024.

■ Innovating agriculture-related credit products

For farmers and other agriculture-related individual business entities, the Bank has innovatively launched the “Yunong Quick Loan” online product package and the “Yunong Loan” offline product series. By integrating multi-dimensional data such as farmers’ credit information, production and operation data, and agricultural insurance information, the Bank promotes the application of three key models, namely enterprise-level information filing, high-quality direct connection with external data, and offline “Yunong Loan”, effectively enhancing the availability of credit in rural areas. As of the end of the first quarter of 2025, the balance of “Yunong Loan” had been RMB330.65 billion, with a growth rate of 16.11% from the beginning of 2025. For agriculture-related enterprises and other organisations, the Bank has innovatively launched “Rural Revitalisation Loan” products, such as “Agricultural Machinery Loan” and “Co-operative Quick Loan”, precisely meets the special financing demands for the purchase of agricultural machinery and equipment and operation of cooperatives, etc., building a comprehensive credit service system covering all types of agriculture-related business entities.

■ Establishing the “Shanrong Commerce” support platform

The Bank fully leverages the advantages of the “Shanrong Commerce” platform to deepen the implementation of the rural revitalisation strategy. By continuously carrying out the assistance marketing campaign themed “Rural Revitalisation: A New Chapter for Farmland”, the Bank effectively aligns the consolidation and expansion of the achievements in poverty alleviation with rural revitalisation. As of the end of the first quarter of 2025, “Shanrong Commerce” had recorded a sales turnover of RMB57,916.3 thousand, of which RMB15,029.2 thousand was from Ankang, providing strong support for the development of rural industries and farmers’ income increase.



Promoting New Models of Housing Finance Services

■ Continuous optimisation of housing rental credit services

The Bank rolls out innovative corporate housing rental loan products, and works to establish a housing rental financial service system that covers diverse entities and spans the entire life cycle. Based on the characteristics of the housing rental industry, the Bank prioritises the support for market-oriented long-term rental housing and government-subsidised rental housing projects. By taking differentiated risk control measures, the Bank provides strong financing support for the development of the housing rental market.

As of the end of the first quarter of 2025

Outstanding corporate housing rental loans

RMB **358.454** billion

■ Housing rental fund

The Bank is actively engaged in the housing rental fund business. As of the end of the first quarter of 2025, CCB Housing Rental Fund had signed 31 projects located in Beijing, Shanghai, Chengdu and other cities, with a total asset size of RMB16.305 billion and a fund contribution of RMB9.199 billion, which can provide the market with about 28,900 long term rental flats. 11 sub-funds were jointly invested and set up with market-oriented entities, with a total fund-raising scale of RMB33.11 billion.

As of the end of the first quarter of 2025

Signed projects under the CCB Housing Rental Fund	Total asset size	Fund contribution	Long-term rental flats available to the market
31	RMB 16.305 billion	RMB 9.199 billion	about 28,900

Innovation in Diversified Cooperation Service Channels

The Bank continues to deepen the building of a diversified cooperation service system, and pursues the expansion of innovative financial service channels and application scenarios. By deeply analysing the actual needs of underserved regions and clients lacking adequate access to financial services, the Bank carries out in-depth cooperation with multiple types of commercial channels or institutions, to jointly build an efficient and accessible financial service network with extensive coverage, launching featured financial products and services with strong adaptability and wide reach based on innovative models of collaboration, effectively boosting the accessibility of financial services. Meanwhile, upholding the development concepts of technological empowerment and resource sharing, the Bank endeavours to build a comprehensive service platform for rural revitalisation, to provide rural clients with diverse services covering basic financial services, public utility payments, social security and medical insurance, etc., and effectively meet the diverse financial and non-financial needs in rural areas.

■ Co-building of service channels in rural areas

Upholding the original aspiration of serving the people through finance, the Bank deeply practises the service philosophy of “getting closer to rural areas and farmers”, gives full play to the strengths in fintech and inclusive finance services, and pursues an innovative pattern of financial services for rural revitalisation. Through the “Yunongtong” digital service platform, the Bank continues to move the focus of financial services down to lower-tiered areas, and expands the coverage of services in county and rural areas. By optimising the platform’s functions and integrating diverse services such as agriculture-related credit, public utility payment, social security, and medical services, the Bank provides a full range of convenient and efficient financial services to rural areas, significantly enhancing the accessibility of financial services in underserved regions and strongly supporting the high-quality development of rural economy.

“Yunongtong” App: innovation in online service channels

The Bank fully unleashes the driving power of fintech, launches the “Yunongtong” App, and actively advances the issuance of rural revitalisation themed cards. By deeply connecting the social resources in rural areas, the Bank provides rural clients with one-stop integrated services including online credit, intelligent village affairs management, policy advocacy, and financial literacy programmes, effectively breaking down the barriers to the accessibility of financial services in rural areas. As of the end of the first quarter of 2025, the number of registered users of the “Yunongtong” App had exceeded 20.16 million, with 710,000 new users added in 2025; a total of 43.94 million “Rural Revitalisation Yunongtong Card” had been issued, with 2.12 million new cards added in 2025, continuously maintaining the leading position in the industry.

The Bank fully leverages the channel advantages of the “Yunongtong” App, launching a shelf of agriculture-related credit products to serve various business entities such as farmers, village collectives, rural cooperatives, and agriculture-related enterprises. Covering multiple scenarios including agricultural production, operational financing, and consumer spending, the App enables full-process handling of online products such as “Yunong Quick Loan”. Eligible farmers can complete all operations including credit limit calculation, loan application, fund use, and repayment exclusively through the “Yunongtong” App, effectively expanding the channels of financial services. As of the end of the first quarter of 2025, the cumulative agricultural loan balance issued by the “Yunongtong” App had achieved RMB164.3 billion, of which RMB33.4 billion was newly added in 2025, accounting for more than 70% of the total new balance of “Yunong Loans” of the Bank.

“Yunongtong” WeChat ecosystem: continuous expansion of service contents

The Bank works to build the “Yunongtong” WeChat eco-service system into a key digital platform for financial services supporting rural revitalisation. By cooperating with WeChat and embedding financial service portals, the Bank further extends its reach of financial services through the widely used social media platform. Built primarily on WeChat official account and applet, this ecosystem combines functions of financial services, social services and media publicity, not only provides agriculture-related information, financial products and convenient services for clients in county and rural areas, but also offers digital tools for the Bank’s operations to deliver financial services in rural areas. As of the end of the first quarter of 2025, the number of users of the “Yunongtong” WeChat ecosystem had reached 8.85 million, with 340,000 new users added in 2025, including 150,000 official account followers and 190,000 applet users, continuously unlocking the client acquisition benefits of the WeChat ecosystem.

“Yunongtong” service sites: diversification of service channels

The Bank deepens the “Yunongtong” financial service network, carrying out strategic cooperation with quality partners, such as village committees, supply and marketing cooperatives, and village health clinics, to build an extensive rural financial service system. At service sites, modern equipment such as intelligent POS devices and smart agricultural assistance terminals are available, to provide local rural residents with basic payment services such as cash deposit and withdrawal, convenient life services such as social security, medical insurance, and public utility payments, primary-level governance services for government and village affairs, as well as public welfare services including the publicity of anti-gambling, anti-fraud, anti-money laundering and anti-counterfeit currency, and other financial literacy programmes, helping meet the diversified financial and non-financial service needs in rural areas, and create a secure, convenient, comprehensive, and accessible financial service environment. As of the end of the first quarter of 2025, “Yunongtong” had served a total of 72.41 million rural clients, with an additional 360,000 in the quarter. In the first quarter of 2025, 43.43 million transactions of various types, including basic finance, livelihood payment, and consumer collection, were handled through “Yunongtong”, with a transaction amount of RMB10.1 billion.

● Cooperation with village committee service points

The Bank built about 106 thousand “Yunongtong” service sites in cooperation with the village committees and Party branch committees, “Yunongtong” was stationed at village service centres, providing services including livelihood payments and governance affairs to rural clients.

● Cooperation with YiNong Information Society service sites

YiNong Information Society refer to village-level information service sites established by the Ministry of Agriculture and Rural Affairs as part of the Information Access Project. The Bank built about 6,365 “Yunongtong” service sites in cooperation with YiNong Information Societies to enrich the life information services available to rural clients, and expand access to rural financial services audiences.

● Cooperation with village health clinic service sites

The Bank built 6,267 “Yunongtong” service stations in cooperation with village health clinics to provide more comprehensive medical insurance, social security, and financial service support to rural clients.

● Cooperation with chain supermarket service sites

The Bank cooperated with supermarket chains to deploy “Yunongtong” to nearly 7 thousand chain supermarket outlets.

● Cooperation with supply and marketing cooperative service sites

The Bank cooperated with supply and marketing cooperatives to deploy “Yunongtong” to nearly 4,404 supply and marketing cooperatives.

● Cooperation with technology companies

The Bank empowers rural social security services through “Yunongtong”, continuously enriching social security payment scenarios. Through in-depth cooperation with Golden Security Insurance Card Technology Co., Ltd., the Bank continuously enhances the accessibility of social security services in rural areas.

● Cooperation with government agencies

In cooperation with the Department of Agriculture and Rural Affairs of Hebei Province, the Bank established distinctive service models combining “Integrated Service Sites + Yunongtong”, “Yunong Market”, land custody, industry stimulation, and leading enterprise driven services. Additionally, practical features such as homestead inquiries were launched on the “Yunongtong” App. Collaborating with Hebei Provincial Rural Revitalisation Bureau, the Bank assisted farmers at risk of returning to poverty in declaring and querying poverty status through “Yunongtong”. Coordinated with the Anhui Provincial Department of Agriculture and Rural Affairs, the Bank developed the “Yunongtong (Anhui)” Rural Revitalisation Comprehensive Service Platform, which carries subsystems for contracted land, homesteads, village collectives, rural industries, rural property rights, etc., promoting the supply-side reform of rural financial services.

■ Financial service platform for ecological scenarios of agricultural industry chain

The Bank has improved and implemented the construction of the “Yunong Industry” platform. Through the coordinated linkage between the Head Office and branches, the Bank has deeply integrated into the financial services for ecological scenarios of the agricultural industry chain, and provided all-round financial services covering production, operation, digital management and supervision for clients in the breeding and planting industries and industry associations. In financially underserved regions, the Bank has built special “Yunong Industry” platforms such as the Gansu “Blue Sky Potato Platform” and “Kangyuan Agricultural Products Industrial Chain Platform”, the Guizhou “Hongliang Purchase Platform”, the Xinjiang “Korla Fragrant Pear Platform”, the Sichuan “Jiajiang Tea Platform”, and the Shaanxi “Annou Dairy Platform”, providing digital services such as agricultural product procurement, warehousing, order management, and sales for core enterprises in the local agricultural industry chain, and providing online service support such as agricultural material procurement, agricultural technology consultation, agricultural product sales, and land transfer for farmers. Meanwhile, the Bank has built a digital window for market supervision and policy transmission for local governments, and comprehensively promoted the online, intelligent, visual and inclusive development of special agricultural industries. As of the end of the first quarter of 2025, the platform had a total of 49 core enterprises, 484 chain enterprises, 64,000 registered farmers, and a cumulative transaction amount of RMB2.024 billion.

■ The digital platform for market participants

Based on the needs of the client groups of agricultural wholesale and retail markets across the country, the Bank strives to create the “Yunong Market” service brand, providing integrated financial service solutions covering credit and settlement for market operators, merchants, and upstream and downstream business entities. By empowering the upgrading of National Top 100 markets, designated markets of the Ministry of Agriculture and Rural Affairs, special agricultural product markets, and specialised markets in county and rural areas, the Bank makes financing easier and less costly for market operators and merchants. The “Yunong Market” comprehensive service platform has been launched, integrating core functions such as market management, stall services, operational management, data analysis, and visual display, and fully empowering the digital transformation and upgrading of market participants. As of the end of the first quarter of 2025, the balance of loans related to “Yunong Market” had been RMB44 billion.

■ The comprehensive service platform for farmers' cooperatives

The Bank further explores the innovative models of financial services for farmers' cooperatives, establishing the “Yunong Cooperation” comprehensive service platform to help farmers' cooperatives enhance operation and management efficiency with information technology. The platform has introduced “Cooperative Quick Loan”, an innovative credit product exclusive to farmers' cooperatives, and integrated diverse services such as payment, settlement and agricultural product sales, to give full play to the role of farmers' cooperatives in connecting and leading farmers. With services for specialised farmers' cooperatives at the core, the “Yunong Cooperation” comprehensive service platform provides comprehensive financial service solutions covering credit support, fund settlement, and digital operations for relevant agriculture-related entities, effectively promoting the innovation and development of agricultural financial services.

As of the end of the first quarter of 2025

Clients on the “Yunong Cooperation” comprehensive service platform

55

Covering farmers more than

4,000

■ Empowering rural development through financial services

The Bank vigorously explores the new models of financial services for rural revitalisation, introducing the innovative service mechanism of “deputy village chiefs in charge of financial affairs”. This mechanism extends financial services to villages, expands transaction scenarios into villages, and makes training resources available to villages, aiming to address the “difficult access to loans for farmers and the difficulty facing banks in granting loans” to rural areas, and thus resolve the imbalance between supply of and demand for financial resources in rural areas. The Inner Mongolia Branch of the Bank adheres to the development concept of “people-centred” and carries out the “village chiefs in charge of financial affairs” service model throughout the region. With “building a base + structuring a platform + strengthening the team” as the core, through the method of “setting points + connecting lines + expanding coverage” in banners, counties and villages, the Bank works with the Organisation Departments of the banner county Party committee to cultivate college student village officials, forms a team of financial talents to help rural revitalisation, and improves the quality and efficiency of serving rural revitalisation. In order to enhance the actual effectiveness and demonstration effect of the “deputy village chiefs in charge of financial affairs”, the Inner Mongolia Branch innovatively integrates the “deputy village chiefs in charge of financial affairs” with the “Yunongtong” owners, and simultaneously develops the “deputy village chiefs in charge of financial affairs” who meet the conditions into the “Yunongtong” service station owners. Using the “Deputy village chiefs in charge of financial affairs+ Yunongtong” dual-driven model, the Bank not only improves its attraction to the “deputy village chiefs in charge of financial affairs”, but also provides a stable and reliable channel for expanding rural financial business.

■ Financial services on Internet platforms

The Bank carries out strategic cooperation with leading Internet enterprises such as Meituan and Alibaba, launching the innovative financial service of “business card” to make financial services more accessible to small and micro merchants. Merchants can upgrade their CCB savings cards into the “business card” with one click in the merchant App, using the card as the payment and receipt account on the Internet platforms. With the help of fintech, the “business card” intelligently integrates merchants' income and expenditure data across platforms, serving as a “super account statement” across platforms and stores, which effectively simplifies financial management for small and micro merchants. As of the end of the first quarter of 2025, the “business card” had served 2.27 million small and micro clients on leading Internet platforms, effectively removing the pain point of low efficiency in traditional manual reconciliation, and making more small and micro merchants benefit from digital financial services.

Innovation in Outlets and Offline Service Channels

The Bank continues to deepen the transformation of outlets and the innovation of offline service channels, strengthens the building of service networks in county and rural areas, and enhances financial service accessibility in all aspects through measures such as optimising outlet layout, upgrading service terminals, and creating characteristic service scenarios.

■ Expanding physical channels

Upholding channel innovation and service optimisation, the Bank actively promotes the coordinated development of physical channels, and continuously advances the construction of channels such as branches, self-service equipment, and specialised service operations, to make services more accessible. While expanding overseas branches, the Bank fully considers situations including the client demands, market environment, and cultural background in the places of operation, conducts in-depth research on the financial service needs in the places of operation, and continuously optimises the layout of branch operations, to maximise the accessibility of financial services. As of the end of 2024, the Group had a total of 14,750 operations. The Bank had 14,201 operations with 14,166 domestic operations, including the Head Office, 2 branch-level specialised operations, 37 Tier-1 branches, 362 Tier-2 branches, 13,751 sub-branches and 13 outlets below the level of sub-branches, and 35 overseas institutions; the Bank's 24 major subsidiaries (17 integrated operating subsidiaries and 7 overseas subsidiary banks) had 549 operations, including 420 domestic and 129 overseas.

■ Supporting financial services at the county level

The Bank continues to strengthen the building of financial service networks in county areas, formulating and implementing the *Guidelines on Business Expansion in Counties*, with a focus on optimising the layout of outlets in newly planned urban and county areas. As of the end of the first quarter of 2025, the Bank had recorded 4,276 outlets in county areas, an increase of 15 compared to the same period last year, and the proportion of outlets in county areas rose to 30.4%, an increase of 0.3 percentage points over the same period last year. In terms of the outlet layout strategy, the Bank highlights wider coverage of financial services in economically strong counties, populous counties, and prosperous counties and towns. In 2025, the Bank plans to establish or relocate 36 outlets in county areas, of which no less than 18 will be established or relocated in key counties, aiming to continuously improve the accessibility and convenience of financial services in county areas.

■ Strengthening construction of characteristic outlets

The Bank continues to empower the construction of characteristic outlets. Focusing on the strategic layout for the “Five Priorities”, the Bank prioritises efforts to build service outlets specialising in technology finance, inclusive finance, and pension finance, while advancing the building of green outlets and digital outlets, driving the transformation of outlet services into an ecosystem integrating financial and non-financial scenarios. The Bank continuously enriches the services of the “Caring Station”, deepens the “Caring Station+” service model, and actively carries out multi-level cooperation with government departments, relevant industrial organisations, enterprises and public institutions, and nearby communities to deliver convenient services to the people. The Bank opens outlet services to the public in a coordinated manner, providing basic services for the public to have a break, drink water, charge mobile phones, and heat meals, and continuously explores characteristic services related to support for elderly and disabled people, low carbon and environmental protection, and rural revitalisation. As of the end of the first quarter of 2025, the Bank had opened 13,797 “Caring Station” in total, adopted the “Caring Station +” model at 12,739 outlets, and opened restrooms to the public at 10,822 “Caring Station”, serving 339 million offline visits.

■ Elderly-friendly and barrier-free renovation

The Bank pursues an elderly-friendly and barrier-free service system, comprehensively refines the financial services for special client groups, and provides financial service supporting with a human touch for special client groups.

In terms of elderly-friendly services, the Bank formulates systems such as the *Implementation Plan for Improving Elderly-Friendly Service Capabilities of Outlets*, the *Guidelines for the Construction of Elderly-Friendly Facilities of Outlets*, and the *Rules for Elderly Client Service of Outlet*. These systems specify the standards for allocating elderly-friendly service resources, and aim to enhance the quality of elderly-friendly services at outlets and effectively improve the service experience of elderly clients. The Bank requires that characteristic outlets should be equipped with at least 37 types of elderly-friendly service resources, and ordinary outlets with at least 26 types of basic elderly-friendly service facilities, including courtesy seats, reading glasses, and wheelchair ramps, and outlets that have the conditions are equipped with special facilities such as vibrating pagers, blood pressure monitors, and sugar-free beverage sections. Based on the psychological, physiological, and behavioural characteristics of elderly clients, the Bank details the service requirements for outlet staff in terms of timely identification, proactive reception, understanding of needs, and queue management, to guide outlet staff to make continuous and solid efforts to refine various services for elderly clients. As of the end of the first quarter of 2025, the Bank had approved the establishment of 222 "specialised pension finance outlets", and 11,547 outlets had met the "basic configuration requirements for elderly-friendly services".

In terms of barrier-free services, the Bank has issued the *Rules for Disabled Client Services of Outlets*, which provides varying management requirements and service specifications for clients with physical, visual, hearing, speech, and other types of disabilities. The Bank builds "barrier-free service demonstration outlets" in key cities including Beijing and Shanghai, improving facilities such as barrier-free entrances and exits, helpline, and guide dog signs, and providing characteristic services such as sign language services and door-to-door services. Meanwhile, by organising both online and offline training, the Bank continuously enhances employees' professional capabilities in offering elderly-friendly and barrier-free services to ensure that various facilitation measures are effectively implemented.

Innovation in Mobile and Online Channels

The Bank vigorously rolls out innovative digital finance services, fully assesses and closely centres on the needs of regions with a shortage of financial services and of special client groups, upgrades and optimises client experience in online financial service platforms, and introduces new applications on mobile and online channels, to continuously improve the accessibility and convenience of financial services, and make financial products and services available to a wider range of client groups.

■ Innovation in mobile banking financial services

Targeting the needs of special groups such as elderly people, people with disabilities, and people of ethnic minorities, the Bank optimises the operation interface and usage process of mobile banking, simplifies operation steps, adds auxiliary functions, and provides multilingual services, effectively improving the convenience of financial services, and ensuring that all client groups have equal and easy access to digital finance services.

In terms of serving elderly clients, the Bank carries out the revamping and upgrading of the elderly-friendly version of mobile banking. Intelligent recommendation of large-print services accurately guides elderly clients to obtain services. The Bank adjusted the functional layout of the age-appropriate version so that account enquiry, deposit products, livelihood payment, medical insurance and social security, and manual customer service, which are cared about by the elderly clients, can be directly clicked on the homepage, making high-frequency functions more easily accessible. The Bank adjusted the overall colour tone and functional icon design to better match the visual habits of the elderly, significantly lowering the barriers to elderly users to use digital financial tools, and allowing the fruits of technological development to better benefit the silver-haired group. By the end of the first quarter of 2025, mobile banking has provided online services to 13.7 million elderly clients.

In terms of serving clients with disabilities, the Bank fully supports the screen-reading feature of mobile phone systems, achieving accurate reading of page elements. Meanwhile, the Bank innovatively applies intelligent voice recognition, semantic understanding, and natural language processing technologies, along with biometric authentication, to build an easy-to-use voice interaction service system. To optimise the experience of visually impaired users, the Bank conducted in-depth cooperation with Zhejiang Vocational College of Special Education, collecting feedback from visually impaired clients on campus, refining key operation processes such as facial authentication, verification code identification, and keyboard input in a targeted manner, and carrying out barrier-free renovation of the five major channels of mobile banking, to ensure that visually impaired clients have no difficulties in using various financial services. By the end of the first quarter of 2025, mobile banking has provided more than 30,000 barrier-free services to clients with disabilities.

In terms of serving people of ethnic minorities, the Bank has introduced the Tibetan version of mobile banking, which provides localised translation of core features such as account inquiry, fund transfer, and credit card repayment, making feature descriptions easier to understand. To ensure product experience, the Tibetan version of mobile banking conducted multiple rounds of user testing, invited Tibetan users and professional translation institutions to participate, optimised the product design based on feedback, ensured translation accuracy and ease of use, and continued to improve the service functions of the Tibetan version.

■ Innovation in life service scenarios

The "CCB Lifestyle" continuously enriches local life services, and offers one-stop services for spending, saving, borrowing, and making money, enabling financial resources to reach areas with difficulty in accessing financial services.

The Bank actively responds to the national call to expand domestic demand and boost consumption. Relying on "CCB Lifestyle", the Bank continues to carry out special activities to undertake government consumer vouchers and fully supports the issuance of consumer subsidies such as old-for-new consumer goods. As of the end of the first quarter of 2025, "CCB Lifestyle" had cumulatively undertaken the issuance of government consumer subsidies in 302 cities across the country, covering various consumption scenarios such as home appliances, home decoration, automobiles, house purchases, catering, supermarkets, and cultural travel.

As of the end of the first quarter of 2025

The platform's registered users exceeding

161 million

Attracting quality merchant stores

nearly **430** thousand

■ Innovation in remote financial service system

The Bank leverages digital technologies to build an integrated remote financial service system, realising connectivity of multimedia channels, penetration into multi services scenarios, and precise reach of diverse features. Covering multiple business areas such as voice navigation, consulting services, repayment reminders, and intelligent invitations, the system provides clients with a full range of efficient and convenient financial services. The average number of clients served by telephone voice navigation is about 430,000 person-times per day, and the average number of clients served by online intelligent consultation is over 640,000 person-times per day. The intelligent repayment reminder covers 12 business scenarios such as credit cards, personal loans, small and micro enterprise loans, and farmer loans. The intelligent invitation service has reached over 7.698 million person-times. As of the end of the first quarter of 2025, 101 million person-times client consultations were received, and customer satisfaction rate exceeded 99%. The Bank continues to strengthen the construction of intelligent services, and based on the characteristics of clients in each channel and the track of business handling, the Bank quickly predicts potential needs and achieves the "answers before asking" of client questions. The Bank provides "unique service solutions for Every One of A Thousand" service solutions through active push, marketing pop-ups, question-and-answer scenarios and other links, and uses customer service assistants to assist in rapid response to client needs; the Bank creates a new media matrix of "CCB Customer Service", opens official accounts on platforms such as WeChat, Toutiao, Xiaohongshu, Weibo, and Douyin, and the number of fans in the matrix has exceeded 49.9 million, serving over 400,000 person-times users per day on average. Targeting the needs for financial services in county and rural areas, the Bank actively carries out remote consulting services, and has established a three-level response system of "AI client service + live agent + branch staff", enabling accurate identification of client needs and real-time response to frequently-asked questions, and effectively enhancing the coverage and availability of financial services.

■ Innovation in financial services at clients' doorstep

The "CCB Doorstep Service" runs on a contactless financial service model. By integrating internal resources and third-party logistics systems, "CCB Doorstep Service" extends traditional outlet services to clients' doorstep, and effectively connects online and offline channels. For physically delivered financial products and services, "CCB Doorstep Service" provides professional distribution solutions, enabling clients who are mobility-impaired or unable to visit outlets to access safe and convenient financial services without leaving home, making financial services more accessible to the people in areas with a shortage of financial services. As of the end of the first quarter of 2025, the "CCB Doorstep Service" financial service had supported 51 "at-home" products including personal credit certificates and bank confirmation letter delivery, and had provided home delivery services to more than 23.8 million clients in total.

■ Innovation in digital services at outlets

The Bank actively advances the building of digital service capabilities at all outlets. Based on the "micro-application" model, the Bank extends outlet services to online platforms such as mobile banking, "CCB Lifestyle" App, official WeChat applet, and "CCB Huidongni" App, unifying services including outlet inquiry, outlet information browsing, online queuing, service appointment pre-processing, and CCB Doorstep Service across all channels. This helps move business processes forward, and substantially improves the efficiency of financial services. As of the first quarter of 2025, the Bank provided digital services to more than 5.2 million person-times per month, bringing convenience to clients while easing the burdens on outlets.

■ Innovation in services on intelligent mobile terminals

The Bank fully leverages the advantages of the “Longyixing” intelligent mobile terminals to create an innovative “mobile banking” service model. The Bank records 19,200 “Longyixing” intelligent mobile devices in total, of which 5,760 are deployed in county areas, widely covering regions with a shortage of financial services.

The “Longyixing” intelligent mobile terminals support 175 financial services under 11 major categories, including account opening, loss reporting and loss report cancellation, password reset, e-banking contract signing, and client information modification. For some disabled persons with mobility difficulties, elderly people, urban migrant workers, and residents in high-altitude or remote rural areas with limited financial resources, the Bank’s employees can provide various kinds of door-to-door services by taking the “Longyixing” intelligent mobile terminals to hospitals, construction sites, enterprises, etc. In the first quarter of 2025, 107,600 door-to-door services enabled by the “Longyixing” intelligent mobile terminals had been recorded, including more than 8,000 services for special groups such as elderly clients, effectively filling the gap in financial services.

■ A one-stop platform of comprehensive intelligent campus services

In active response to the national goal of building a “high-quality education system”, the Bank fully leverages the strength in fintech, and develops “CCB Smart Campus Application” comprehensive service platform, integrating multiple mobile channels such as Apps, WeChat and Alipay applets and building a one-stop smart campus service system. With the “CCB Smart Campus Application” platform, teachers, students and parents have easy access to the whole process of campus services, including registration, consumption payment, classroom learning, campus life, internship and employment, and alumni services, etc. This effectively solves the pain points in campus information system building, such as scattered university management systems, cumbersome procedures, and time-consuming queuing for payment. As of the end of the first quarter of 2025, the service network of the “CCB Smart Campus Application” platform had covered 31 provinces and cities across the country, with a total of 973 universities and 45,000 K12 schools connected, serving more than 25.07 million teachers, students and parents.

■ A one-stop platform of comprehensive health management services

The Bank thoroughly implements the strategy of “Healthy China”, and builds “CCB Smart Healthcare Application” health management integrated service platform. The Bank fully leverages fintech means, integrates cutting-edge technologies such as Internet, cloud computing, and big data, and builds an “Internet + health” service ecosystem covering governments, businesses and consumers, to enhance healthcare services with information technology. The “CCB Smart Healthcare Application” platform covers dozens of ecosystem scenarios and comprises hundreds of functional modules, providing clients with nearly a thousand health service items such as whole-process online medical consultation, Internet hospitals, cloud-based HIS systems, and hospital financial reconciliation. For government departments (G-end), the “CCB Smart Healthcare Application” platform helps build a healthy city management system, improving the quality of healthcare, medical insurance, and pharmaceutical management. For medical institutions (B-end), “CCB Smart Healthcare Application” provides core HIS system building and financial reconciliation services, driving the digital transformation of hospitals. For patients (C-end), “CCB Smart Healthcare Application” enables whole-process online services of registration, consultation, and payment, etc., effectively easing the pain points in healthcare services such as the difficulties in accessing medical care and registering for medical appointments. As of the end of the first quarter of 2025, the service scope of the “CCB Smart Healthcare Application” platform had covered 32 provinces and cities across the country, with a total of 1,487 hospitals online, providing comprehensive medical financial services to more than 10.66 million patients.

As of the first half of 2025, the main work progress of the “CCB Smart Healthcare Application” platform:

- Continued to promote the iteration of the comprehensive payment reconciliation platform product, and provide integrated financial services of payment, reconciliation and refund to 22 hospitals across the country through the product. On June 1, the product was fully applied in Sichuan Provincial People's Hospital, with 35,000 reconciliations and more than 300 refunds per day, solving the financial pain points of the hospital's complex financial reconciliation and the inability to automate refunds due to multiple campuses, multiple channels and multiple scenarios, indicating that the product could provide comprehensive services to large tertiary hospitals.
- Continued to deepen the medical insurance mobile payment service capabilities, and provide online medical insurance mobile payment services for chain pharmacies in Guangxi through the medical insurance cashier function, so that people could use medical insurance cards to buy medicines online. As of the first quarter of 2025, the “CCB Smart Healthcare Application” platform had launched medical insurance mobile payment financial services for 67 medical institutions, serving more than 320,000 person-times during the period, providing insured people with more convenient, efficient and secure medical insurance mobile payment financial services.

■ Innovation in prepaid funds for elderly care services

In actively responding to the national drive for establishing the elderly care service system, the Bank innovatively creates elderly care prepaid funds service scenarios by leveraging the “Elderly Care Platform”, strictly adheres to the guidance and rules of civil affairs departments on strengthening the prepaid funds for elderly care institutions, implements closed-loop management for the collection of fees, disbursement, refunds, and other fund flows, precisely monitors and controls abnormal behaviours, realises the standardisation of business processes such as agreement signing, check-in and check-out, bill management, termination and cancellation, fully protecting the fund security and legal rights and interests of the elderly, effectively helping the civil administration departments in strengthening the supervision and management of the prepaid funds collected by the elderly care institutions, and further enhancing the social credibility of elderly care service institutions. As of the end of the first quarter of 2025, the Bank had applied the scenarios of prepaid funds supervision in more than 370 elderly care institutions in 12 provinces and cities, including Beijing, Shandong, etc.

■ Building a rural online service platform

The Bank creates “Smart Village Affairs” comprehensive service platform, integrates diverse functions such as rural Party construction, information from Party branch committees and village committees, village notices, disclosure on collective rural funds, assets, and resources, providing accessible financial services for remote areas and areas with limited government services, and helping resolve the pain points in rural governance and financial services. In active response to the *Law of the People's Republic of China on Rural Collective Economic Organisations*, the Bank innovatively launches the “Collective Credit Loans” product, establishes the certification system for financial service applicants of rural collective economic organisations, and supports online credit applications by rural collective economic organisations, with the funds allowed to be used for the purchase of means of production, production and operation, etc., effectively easing the financing difficulty in rural areas. Meanwhile, the Bank innovatively develops “Credit Scorecards” for rural collective economic organisations, to conduct accurate evaluation from multiple perspectives such as organisational governance, operating conditions, financial risks, and external support, and analyse the behavioural characteristics of rural collective economic organisations, enhancing the capability to assess clients' operational risks, further advancing the building of the agricultural and rural credit system, and improving the agriculture-related risk evaluation system. As of the end of the first quarter of 2025, the “Collective Credit Loans” had cumulatively served 2,684 rural collective economic organisations with a credit balance of RMB4.9 billion, and the “Credit Scorecards” had cumulatively served 31.7 thousand rural clients, strongly promoting rural collective economic development and providing strong support for farmers to achieve common prosperity.

As of the end of the first quarter of 2025



■ Characteristic financial services for pastoral areas

Inner Mongolia Branch of the Bank has organised the Ulaan Mochir financial service team to provide characteristic financial services in communities, schools, rural areas, business areas and pastoral areas, holding almost 400 financial service activities, reaching more than 50,000 person-times. The branch dispatches service specialists proficient in both Mongolian and Mandarin Chinese to offer account opening and other services for ethnic minority clients, sets up financial knowledge consulting desks and offers one-on-one consulting services with professional staff to address citizens' questions on banking and financial security. At the same time, financial knowledge brochures are also distributed to enhance the public's financial literacy and risk-prevention awareness. In order to improve the publicity effect, the service team carries out an educational activity for students with the theme of “popularising financial knowledge, preventing financial risks, and sharing a better life”, organises a series of performances called “Bring Plays to the Masses” for the elderly, and plans a “Financial Knowledge Carnival” live event for new urban residents. Through singing and dancing performances, financial knowledge quizzes, fraud prevention eye charts and other activities, the team introduces “the first anti-fraud lesson” to the people, allowing the public to learn about finance in a relaxed and pleasant atmosphere and enhance their self-protection capabilities.



Charity

The Bank upholds the public welfare concept of "helping others, openness, and sharing", and thoroughly fulfils the social responsibility as a major state-owned bank. The Bank leads employees to participate in public welfare, leads clients to participate in public welfare, leads operations to participate in public welfare, and integrates business with public welfare, actively exploring the innovative model of "charity + finance". The Bank gives full play to the financial expertise, and organises various public welfare activities and volunteer services, providing thousands of families with sincere services and continuously spreading positive energy across the society.

The Bank formulates an annual Group-level donation plan at the beginning of each year, and submits it to the Board of Directors for deliberation. The Bank gives priority to supporting the funding needs across the Bank for consolidating poverty alleviation achievements and rural revitalisation, continues to support the long-term public welfare projects launched by the Head Office, and forges the Bank's public welfare brand. Meanwhile, the Bank analyses other public welfare needs of the Head Office and branches, and evaluates them from perspectives such as national strategies and urgent social needs, to meet the most pressing and prioritised needs. In the first quarter of 2025, the Bank immediately donated RMB1 million to the earthquake-stricken area in Dingri County, Shigatse City, Xizang for post-disaster reconstruction.

The Bank always regards educational charity as a major aspect of the social responsibilities, and continuously builds an all-round and multi-levelled educational assistance system. Through characteristic programmes, such as the "Building the Future" sponsorship programme for high school students, the construction of hope primary schools, and the "Do Good, Be Wise" student assistance programme, the Bank has benefited thousands of teachers and students in total, effectively protecting the educational rights of vulnerable groups. The Bank innovatively builds the "Donation of Bonus Points to Make Dream Come True" platform. By converting CCB card points into public welfare resources, the Bank donates and builds music classrooms nationwide, and trains rural music teachers, to effectively improve the quality of education in rural and remote areas. In the areas receiving pairing assistance, the Bank systematically promotes projects such as the upgrading of teaching facilities, the support for left-behind children and the improvement of aesthetic education, and has built multiple moral education demonstration bases and "Homes for Left-Behind Children", actually implementing assistance through education. Meanwhile, all branches engage in the endeavour together. The Inner Mongolia Branch establishes "Light and Sound Activity Room", the Hunan Branch provides assistance to hearing-impaired children, and CCB International supports the education of ethnic minorities in Hong Kong, gradually forming a multi-dimensional educational assistance network covering special groups and remote areas, and continuously promoting the equal access to educational opportunities.

The Bank consistently fosters employees' public welfare spirit, and guides young employees to actively engage in social welfare endeavours by establishing a sound volunteer service system. As of now, the Bank has set up a Young Volunteers Association and 48 branches around the world, which recorded 77,000 youth volunteers across the Bank, provided 110 thousand hours of volunteer services, and served 780 thousand people in total, continuously contributing the strength of China Construction Bank to social harmony.

Case: Ecosystem protection through public welfare donations

The Bank makes the protection of ecological environment a key area for public welfare donations, which is clearly stipulated in the *Management Measures on Donations*, and continues to increase investment. Since 2022, the Bank has donated a total of RMB5 million to the Sanjiangyuan area for four consecutive years, and the funds have been used to support protection projects such as the development of ecological villages. The move helped protect the ecological environment at the water source area, and promoted the implementation of the concept of harmony between humanity and nature. Meanwhile, all branches carried out characteristic protection projects based on the ecological characteristics of respective regions: the Inner Mongolia Branch donated to sand prevention projects, effectively curbing further desertification by planting saxaul forests; the Xizang Branch donated to afforestation activities, continuously improving the ecological environment on the plateau, and fully demonstrating the Bank's efforts to fulfil the responsibility in ecological protection.

The implementation of major public benefit projects as of the end of 2024 is detailed as follows:

Project	Partner	Timescale	Progress
Building the Future- CCB Sponsorship Programme for High School Students	China Education Development Foundation	2007-Present	Donated RMB182 million in total and funded 104,600 person-times senior high school students.
CCB Sponsorship Programme of "Mother Health Express"	China Women's Development Foundation	2011-Present	Donated RMB93 million in total and purchased 612 Mother Health Express vehicles and put them into use in 24 underdeveloped townships and counties in Xinjiang, Xizang, Gansu, Qinghai and other provinces and regions.
CCB Hope Primary Schools	China Youth Development Foundation	1996-Present	Donated RMB27.06 million in total, supported the construction of 50 Hope Primary Schools, equipped these schools with 135 music, art, PE, technology, and moral education rooms, funded the training teachers for over 800 person-times, and organised 320 teachers and students to participate in the summer camp.
Sanjiangyuan Ecological Protection Project	The Sanjiangyuan Ecological Protection Foundation	2022-Present	Donated RMB5 million in total and established the ecological values of harmony between humanity and nature for the development of ecological demonstration villages at the Sanjiangyuan National Park.
"Do Good, Be Wise" Caring Student Action	CCB Youth Volunteers Association, local league committees of branches	2016-Present	Donated RMB13.23 million in total, offered funds and supplies to over 43,900 teachers and students in underdeveloped areas, and organised over 1,900 teachers and students from these areas to participate in summer (winter) camp activities.
"Donation of Bonus Points to Make Dream Come True - Micro-Charity"	China Youth Development Foundation, China Literature and Art Foundation, China Youth Volunteer Association, Young Volunteer's Guidance Centre of the Central Committee of the Communist Youth League	2012-Present	Donated RMB12.97 million in total, constructed 164 "Happy Music Classrooms", trained rural music teachers, and built the "Home for Youth" of the Chinese Young Volunteers Association and the Youth Volunteers' Guidance Centre of the Central Committee of the Communist Youth League of China.
"Workers' Stations (Harbours)" Public Benefit Programme	China Worker Development Foundation	2021-Present	Launched the "Donation of Bonus Points to Make Dream Come True-Workers' Stations (Harbours)" platform simultaneously. Charitable groups can participate in public welfare activities and make donations by donating their Long credit card bonus points.



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