



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

Stock Short Name: Weihai Bank Stock Code: 09677

2025 Sustainability Report



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Chairman’s Statement

The year 2025 marks the decisive conclusion of the 14th Five-Year Plan and the planning and groundwork phase for the 15th Five-Year Plan. It has also been a year of diligent efforts and fruitful achievements for Weihai Bank. This year, profound changes unseen in a century accelerated across the world, while domestic economy continued to develop toward higher quality and greater innovation. Against this backdrop, the banking industry faced both opportunities and challenges. Standing at the historical juncture between two Five-Year Plans, Weihai Bank adhered to the principle of “seeking progress while maintaining stability, and reinforcing stability through progress.” Guided by its values of “altruism, integrity, agility, and openness,” the Bank remained committed to serving the real economy and advancing innovation-driven development. With dedication reflecting its original aspiration and solid work delivering tangible results, the Bank delivered an outstanding “answer sheet” of high-quality and sustainable development.

This year, we strengthened Party leadership to ensure steady and sustainable development. The Bank consistently adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the overall requirements for Party building in the new era, and actively practiced the political and people-oriented nature of financial work. By continuously promoting the deep integration of Party building with business operations, the Bank further unified thinking, consolidated collective strength, and strengthened execution through Party building, thereby leading high-quality development with high-quality Party building.

This year, we achieved new record highs in our performance indicators. In the face of a complex and evolving macroeconomic environment and increasingly intense industry competition, we continuously intensified market expansion efforts. With the total assets surpassing RMB500 billion, the bank successfully entered the rank of mid-sized banks. Major business indicators, including deposits, loans and profits, all hit record highs, while various quality indicators continued to improve, achieving coordinated development in scale, quality and efficiency.

This year, we stimulated vitality through reform and transformation. Following the transformation direction of “marketization, specialization, refinement and digitalization,” we adhered to the principles of “customer-centric, market-oriented and striver-based.” We continuously improved the organizational structure, advanced institutional and mechanism reforms, optimized performance evaluation policies, accelerated the development of market-oriented teams, and established professional and technical talent tracks, thereby continuously enhancing professional capabilities and development potential.

This year, we fostered leadership team worked in full unity. Adhering to the principles of “those who perform shall be empowered” and “meritocracy above all”, we carried forward the fine tradition of efficient execution. Our leadership team worked in full unity with a strong sense of purpose, fostering a vibrant atmosphere for dedicated work and entrepreneurial endeavor. We further implemented the “talent-driven bank development” strategy, strengthening both internal cultivation and external recruitment of talents. Externally, we launched university-bank cooperation initiatives with Shandong University and Harbin Institute of Technology. Internally, we established a hierarchical and categorized talent development model and advanced a normalized secondment and exchange mechanism, striving to build a high-quality, professional talent teams.

This year, we rooted ourselves in the real economy and pursued meticulous development. Taking the service of national strategies and people’s livelihood needs as the foundation of our growth, we adhered to the philosophy of “taking root in Shandong and serving with sincerity” and focused our efforts precisely on the “Five Major Articles”. We rolled out distinctive products such as the “Green Agriculture Loan (綠農貸)”, “Green Factory Loan (綠色工廠貸)”, and “Carbon Footprint Certification Loan (碳足跡認證貸)”, and launched Weike series of businesses, including Navigation Loan (啟航貸), Leadership Navigation Loan (領航貸) and Voyage Navigation Loan (遠航貸). Relevant products and cases were selected into the Annual Golden Dragon • Financial Power “Five Major Articles” case list and the Shandong Provincial “high-quality product finance” typical cases respectively.

This year, we further consolidated the foundations of our development. We embedded the “Five Dos and Five Don’ts” principles of China’s distinctive financial culture deeply into our practices, strengthened the development of a comprehensive risk management system, and effectively improved overall asset quality. We also advanced the two-year initiative to enhance internal control and risk management, fully leveraged the role of audit as the third line of defense, fostered a culture of compliance, promoted a sound compliance environment, and established a mechanism of “managing people by the system, handing our business according to proven processes”, thereby continuously reinforcing the foundations for high-quality development.

This year, we cultivated a strong atmosphere of our family culture. Upholding the belief that “sea embraces all rivers; greatness lies in its inclusiveness”, we launched the employee forum “Hai Na Bai Chuan” to actively listen to the voices of frontline staffs. We awarded the first Chairman’s Award Fund and organized the inaugural selections of “Model Woman” and “Top 10 Outstanding Youth.” As a result, employees’ initiative, creativity and self-motivation continued to grow, their sense of fulfillment and well-being steadily improved, demonstrating a vibrant spirit marked by confidence, high morale and perseverance.

This year, we witnessed a steady rise in our reputation and public recognition. We remained committed to serving the people through finance, resonating with the real economy and closely aligning our services with people’s livelihood needs. We launched integrated service platforms such as the “Elderly Care Market” and the “Real Estate Market,” and organized bank-enterprise engagement initiatives including the “Strategic Client Visit Campaign,” “Financial Services Coordination Sessions,” and “Green Finance Promotion Events.” The Bank has become the first city commercial bank in Shandong Province to sign the UN Principles for Responsible Banking. We have been rated as ESG Class A Unit for three consecutive years, and have received the national “2025 Financial New Quality Productivity Excellent Practice Award” and Golden Dragon • Financial Power “Five Major Articles” typical case Through actively fulfilling our social responsibilities, we continue to demonstrate the value of the banking sector.

With a promising wind beneath our wings, we set off anew on our ten-thousand-mile journey, shouldering great responsibilities. The year 2026 marks the 105th anniversary of the founding of the Communist Party of China, and also the opening year of the 15th Five-Year Plan period. We will comprehensively implement the spirit of the 20th CPC National Congress, the 2nd, 3rd and 4th Plenary Sessions of the 20th CPC Central Committee and the Central Economic Work Conference, and the Bank would adhere to the overarching principle of “pursuing stability while advancing steadily, and enhancing quality and efficiency”, and center its operations around “promoting high-quality and sustainable development”. We will focus intensively on its core business, drive innovation-led transformation, tailor strategies to local conditions, and cultivate distinctive competitive strengths. Moving in step with the times and resonating with the real economy, we aim to deliver better services, more stable operations, and stronger performance, thereby giving back to both new and existing shareholders, valued customers, and all sectors of society. With determination, we will advance toward the grand goal of building a strong financial nation and strive to write a new chapter of high-quality and sustainable development.

Meng Dongxiao
Chairman of Weihai Bank Co., Ltd.
April 2026

About the Bank

Company Profile

Established in 1997, the Bank is invested and controlled by Shandong Hi-Speed Group. The Bank currently has nearly 130 branches and sub-branches in Jinan, Tianjin, Qingdao, etc., and is the first local legal person bank in Shandong Province to achieve “full coverage of prefecture-level cities in the province”. In 2016, the Bank became the first financial institution in Shandong Province to initiate the establishment of a financial leasing company. On October 12, 2020, the Bank was successfully listed on the Main Board of the Hong Kong Stock Exchange. On February 26, 2025, the Bank officially changed its name from Weihai City Commercial Bank Co., Ltd. to Weihai Bank Co., Ltd..

Since its establishment, Weihai Bank has always kept in mind its original intention and mission of serving the real economy, adhered to the market positioning of “serving urban and rural residents, serving small and medium enterprises, and serving the local economy”, actively participated in the regional economic and social construction, thus paving the way for a unique and sustainable development path.

Vision: To become a “first-class city commercial bank in China”

Philosophy: Take root in Shandong Serve with sincerity

Values: Altruism Integrity Agility Openness

Direction: Marketization Specialization Refinement Digitalization

In 2025, Weihai Bank has been highly recognized and well received by all sectors of the society with high-quality services and good performance:



It was awarded the “Class A Unit”, the **highest ESG evaluation level in Shandong Banking industry** for **three** consecutive years, with its green finance initiatives ranking among the top of city commercial banks across the province;



It officially signed the UN “**Principles for Responsible Banking**” (PRB), becoming the first city commercial bank in Shandong Province to do so;



The Bank officially released the “**2024 Nature-Related Financial Disclosures (TNFD) Report (2024年度自然相關信息披露(TNFD)報告)**”, becoming the first commercial bank in China to systematically disclose nature-related information.



As of the end of 2025, the balance of green credit reached RMB**56,210** million, an increase of **51%**; aligned with the goals of green, low-carbon, and high-quality development, continuously built the “1+3+5+N” green financial product system, and enhanced the “Golden the Green (綠色成金)” brand;



As of the end of 2025, the balance of loans to technology enterprises reached RMB**17,211** million, an increase of **70%**; innovatively developed the Weike “Navigation” series product system, which was recognized as a typical case in Shandong Province for “Good Financial Products • Empowering Science and Technology Innovation (好品金融 • 賦能科創)”.



Key Performance for 2025

Overview of Key Operating Performance

Dimension	Indicator	2025
 Economic	Total assets	RMB 504,521 million
	Operating income	RMB 9,918 million
	Total profit	RMB 2,785 million
	Net profit	RMB 2,504 million
	Non-performing loan ratio	1.41 %
 Environmental	Outstanding green credit	RMB 56,210 million
	Proportion of green credit	24.76 %
	Change in green credit amount equivalent to carbon dioxide equivalent emission reduction	258,900 tonnes
	Change in green credit amount equivalent to standard coal emission reduction	126,700 tonnes
	Changes in green credit amount equivalent to water savings	7,902,600 tonnes

Dimension	Indicator	2025
 Social	Balance of loans to SMEs	RMB 151,960 million
	Balance of loans to MSEs	RMB 105,404 million
	Balance of agriculture-related loans	RMB 30,019 million
	Balance of inclusive loans	RMB 35,631 million
	Balance of loans to technology enterprises	RMB 17,211 million
	Number of technology enterprises served	2,110 customers
	Proportion of female employees	55.97 %
 Governance	Number of directors	14 members (including 2 female directors)
	Corruption and fraud incidents	0 person-time
	Anti-corruption and anti-fraud training coverage	14,000 person-times
	Anti-money laundering training coverage	13,000 person-times

Key Performance for 2025 (Continued)

Key Awards and Honors for 2025

The Bank, with ESG practices at its core, has deeply integrated into the national green and low-carbon development strategy. In 2025, the Bank achieved multiple breakthrough results in the ESG field:

Category	Award or Honor	Awarding Organization
 Comprehensive	2025 Golden Dragon Financial Power Case Award	Financial Times
	2025 Financial New Quality Productive Forces Excellence Award	Xinhua Finance
	2025 (21st) Top 100 Advanced Enterprises in Corporate Education	China Enterprise Evaluation Association
	2025 China Banking Industry Innovation Development Outstanding Case Award	Tsinghua Financial Review
	2025 Outstanding Brand Influence Financial Institution, Golden Bridge Award	Thinking Finance, Investor China
	Outstanding Retail Banking Brand Award	Caishiv.com, Fudan University Bank Development Center
	Outstanding High-Quality Development Model Award	Jinrongjie.com, Sailing · 2025 Financial Annual Conference Organizing Committee
 Environmental	Green Finance Brand System Construction and Practice Case Selected for the 2025 Golden Dragon · Financial Power “Five Major Articles of Finance” Cases	Financial Times
	2025 “Good Finance Product” – Green Finance Category Typical Case Award	Office of the Financial Commission of the CPC Shandong Provincial Committee and other departments
	Outstanding Award in the First Half of 2025 Green Finance Assessment Results	The People’s Bank of China Shandong Provincial Branch
	2025 Green Finance Practice Outstanding Case Award	China Times
	2025 Banking ESG Typical Practice Case – Green Finance Innovation Case Award	China Financial Media
	2025 GF60 Best Sustainable Financial Institution	GF60 Forum, Shanghai Jinsinan Institute of Finance
 Social	Outstanding Public Education Institution	Weihai Supervision Bureau of the National Financial Regulatory Administration
	Outstanding Collective for Excellence in Payment Service Optimization	The People’s Bank of China Weihai Branch
	Outstanding Bank in the “Deposit Insurance for the People, Safeguarding a Decade” Deposit Insurance Publicity Competition	The People’s Bank of China Weihai Branch, Weihai Municipal Finance, Trade, Financial, Foreign Trade and Economic Cooperation Trade Union Committee
 Governance	Five-Star Unit for Party Building + Corporate Culture Management in 2025, First Prize for Outstanding Achievements in Party Building to Strengthen Enterprises	China Culture Administration Association
	Demonstration Unit for Corporate Party Building Brand Creation in Shandong Province During the “14th Five-Year Plan” Period, Corporate Party Building Innovation Achievement Award During the “14th Five-Year Plan” Period	Shandong Corporate Culture Society
	Advanced Unit in Banking Sector Banker Survey Work for 2025, First Prize in Financial Statistics Work for Banking Sector Financial Institutions in Weihai for 2025	The People’s Bank of China Weihai Branch

Stakeholder Engagement and Materiality Assessment

Stakeholder Engagement

The Bank places high importance on communication with its stakeholders. Based on the Bank’s sustainability-related practices and industry characteristics, and with full consideration of the key groups that have a significant impact on the Bank’s sustainable operations and are affected by the Bank’s business activities, the Bank has identified the following six major stakeholders: banking regulatory authorities, the Bank’s shareholders (including shareholders holding 5% or more of the Bank’s shares, other major shareholders, and small and medium shareholders), customers and surrounding community residents, senior management (directors and management personnel), employees, and partners (including suppliers, financial industry peers, and sustainability-related NGOs).

To ensure a full and timely understanding of stakeholders’ concerns and expectations regarding the Bank, the Bank engages in close communication with stakeholders through methods such as distributing questionnaires and conducting research interviews. The concerns of different categories of stakeholders, as well as the Bank’s communication methods and frequency with them, are shown in the table below:

Stakeholders	Sustainability Issues of Concern	Communication Methods	Communication Frequency
 Banking Regulatory Authorities	- Developing Green Finance - Practicing Green Operations - Actively Addressing Climate Change - Promoting Biodiversity Conservation - Developing Technology Finance - Developing Inclusive Finance - Developing Pension Finance - Serving the Real Economy - Ensuring Employee Compensation and Benefits - Strengthening Risk Management	- Regular/Ad Hoc Meetings - Regulatory Policy Implementation - Routine Submissions and Work Reports	- Regular - Ad Hoc
 The Bank’s Shareholders	- Practice Green Operations - Actively Address Climate Change - Promote Biodiversity Conservation - Uphold Business Ethics - Enhance Disclosure Quality - Strengthen Risk Management	- Annual Shareholders' Meeting and other Shareholders' Meetings - Results Announcement - Timely and Accurate Disclosure of the Bank’s Information - Regular Visits and Reception of Visitors	Regular

Stakeholders	Sustainability Issues of Concern	Communication Methods	Communication Frequency
 Customers and Surrounding Community Residents	- Develop Green Finance - Practice Green Operations - Development of Pension Finance - Develop Technology Finance - Protect Consumer Rights - Protect Customer Privacy - Ensure Service Quality - Promote Financial Literacy - Anti-Corruption and Anti-Money Laundering - Promote Regional Coordinated Development - Engage in Community Philanthropy	- Customer Satisfaction Surveys and Feedback Forms - Customer Service/Consultation - Account Manager Visits - Daily Operations/Communication - Online Service Platform - Telephone Communication	- Regular - Ad Hoc
 Senior Management	- Developing Green Finance - Developing Technology Finance - Developing Digital Finance - Innovating Financial Products and Services - Practicing Green Operations - Serving the Real Economy - Ensuring Service Quality - Emphasizing Employee Development and Training - Pollution and Waste Management - Implementing Responsible Procurement	- Board of Directors Meetings - Senior Management Meetings - On-site Inspections - Daily Meetings and Interviews	- Regular - Ad Hoc
 Employees	- Developing Green Finance - Ensuring Employee Compensation and Benefits - Practicing Green Operations - Ensuring Employee Health and Safety - Developing Technology Finance - Emphasizing Employee Development and Training - Facilitating Smooth Employee Communication Channels - Promoting Work-Life Balance	- Performance Evaluation - Daily Meetings and Interviews - Convening Staff Representatives’ Meetings - Establishment of sound and smooth internal communication channels	- Regular - Ad Hoc

Stakeholder Engagement and Materiality Assessment (Continued)

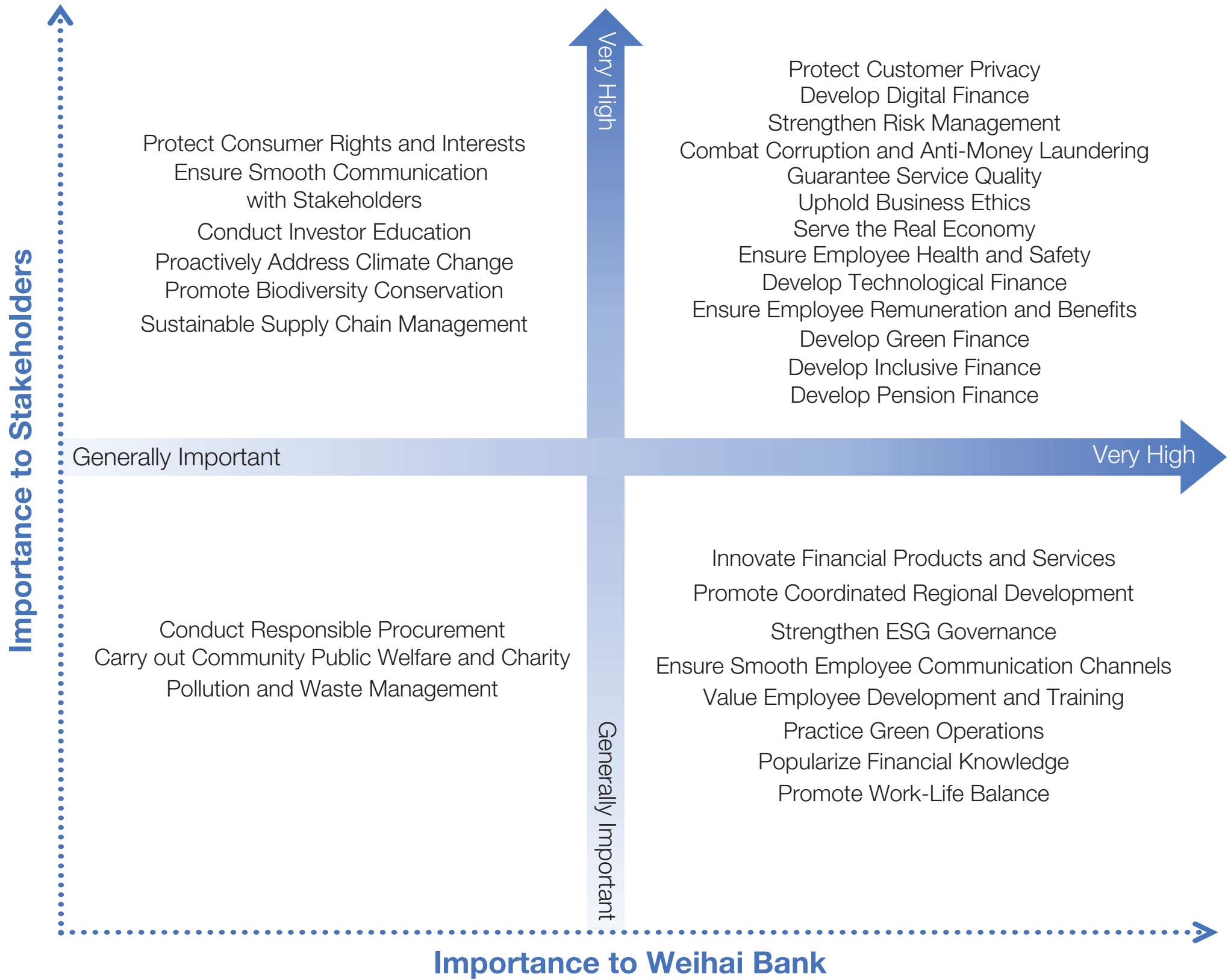
Stakeholders	Sustainability Issues of Concern	Communication Methods	Communication Frequency
 Partners	- Enhance ESG Governance - Develop Green Finance - Actively Address Climate Change - Promote Biodiversity Conservation - Strengthen Risk Management - Develop Technology Finance - Develop Pension Finance - Develop Digital Finance - Serve the Real Economy - Facilitate Stakeholder Communication - Sustainable Supply Chain Management - Uphold Business Ethics	- Meetings - Site Visits - Collaborative Projects - Charitable Activities - Sustainability-related Forums and Capacity Building Platform Activities	Ad Hoc

Analysis of Double Materiality Issues

To enhance the relevance and responsiveness of the report, this year’s report adopts the “double materiality” assessment method. By integrating the overarching requirements of the “Five Major Articles” of financial work and the Bank’s development strategy, a questionnaire on the importance of sustainability issues was developed. Interviews and surveys were conducted with regulatory authorities, shareholders, clients, senior management, employees, partners, and surrounding community residents. Based on the survey results, the core sustainability issues were identified.

1. Identification	2. Assessment	3. Screening	4. Management
Sustainability-related topics are identified by integrating stakeholder research, multiple international and domestic sustainability standards (including the HKEX ESG Guide, ISSB Standards, etc.), and banking policy trends.	Applying the “double materiality” principle, the materiality assessment of each topic is completed through stakeholder questionnaire surveys, internal financial expert analysis, and validation by industry experts.	Based on the assessment results, a materiality analysis matrix is constructed to screen topics with higher double materiality. This year’s report will focus on disclosing such topics.	In the future, we will strengthen the management and tracking of high-importance issues, with a focus on disclosing their governance, strategy, risk management, and performance target completion in information disclosures.

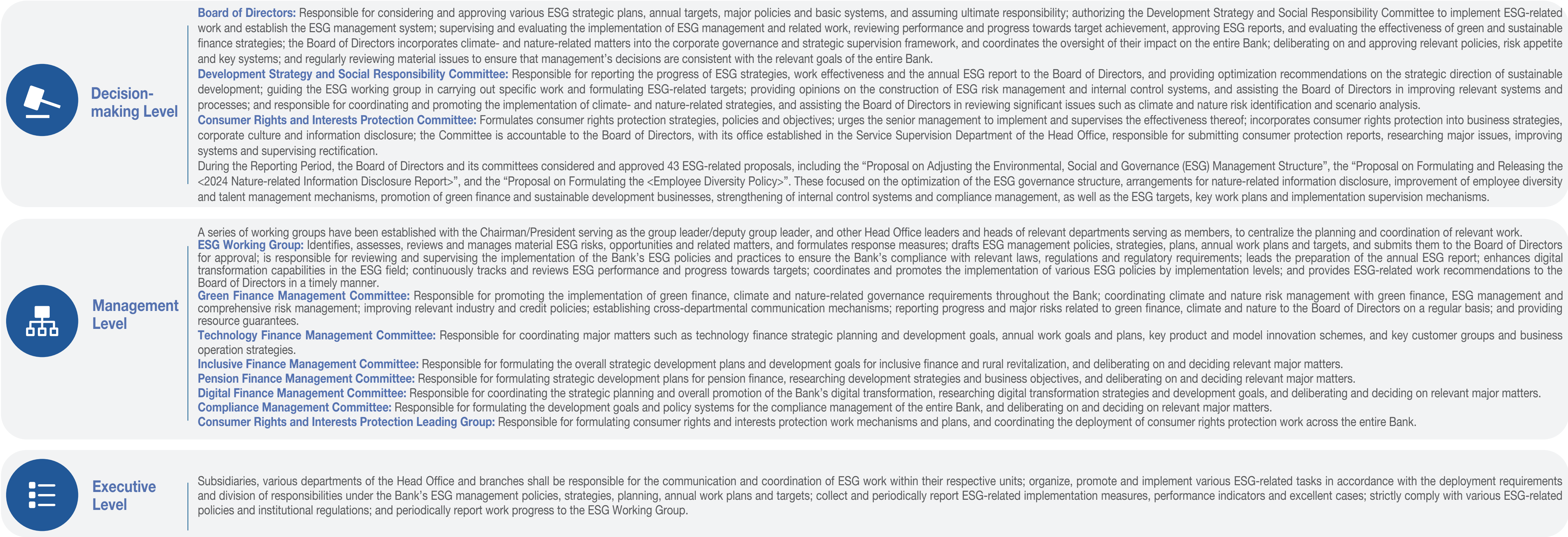
Double Materiality Assessment Results



Sustainability Policies and Governance

The Bank attaches great importance to sustainable development and has established a well-defined collaborative sustainable development governance system with clear responsibilities and division of labor. Through the establishment and delineation of duties at the decision-making, management, and execution levels, it ensures the orderly advancement of sustainable development planning from top-level design to grassroots implementation.

Sustainable Development Governance Structure



In compliance with national laws and regulations, including the Company Law, and the latest regulatory requirements from regulatory authorities, the Bank has discontinued the establishment of a Board of Supervisors. On October 31, 2025, the Bank received approval from the Shandong Supervision Bureau of the National Financial Regulatory Administration for the amendment of the Bank's Articles of Association. Upon the effective date of the approved Articles of Association, the Bank will no longer establish the Board of Supervisors, as well as its special committees and standing bodies. The audit committee of the Board of Directors shall exercise the relevant functions and powers of the Board of Supervisors in accordance with the law. Supervisors in office at that time shall cease to hold the position of supervisor of the Bank and positions in the special committees under the board of supervisors.

Sustainability Policies and Governance (Continued)

Directors and Senior Management’s Sustainability-Related Experience and Responsibilities

In 2025, the composition of the Bank’s Board of Directors and senior management remained stable, demonstrating balanced representation in terms of gender, age, cultural background, and professional expertise. Their professional backgrounds encompass various fields including banking operations, corporate management, economics, law, accounting, auditing, microfinance, and environmental management, forming a highly complementary and diversified management structure. This contributes to enhancing the scientific rigor and relevance of the Board’s decision-making and lays a solid foundation for sound corporate governance.

Sustainability-Related Performance Assessment Approach

The Bank continuously refines the performance evaluation system for Executive Directors and senior management. The compensation of senior management is strictly disbursed in accordance with plans reviewed and approved by the competent authorities and deliberated through the corporate governance procedures, and is linked to the Bank’s business performance assessment results. The Bank incorporates climate and other environment-related indicators into the performance appraisal, incentive and restraint mechanisms for relevant staff. For further details on the Bank’s remuneration, please refer to the Bank’s annual report.

Sustainability-Related Capability Training

The Board of Directors of the Bank places high importance on enhancing sustainability management capabilities. Through thematic research, grassroots investigations, and training, covering areas such as corporate governance, anti-corruption and integrity, green finance, pension finance, digital finance, and combating telecom fraud, the Bank continuously strengthens the Board members’ insights into industry trends, anchoring the direction for the sustainable development of the enterprise.

Column: 2025 Green Finance Exchange Activities Chronicle

Leveraging its outstanding contributions in the field of green finance, the Bank has continuously innovated and enriched its green finance brand image. During the Reporting Period, it participated in multiple green finance exchange activities:

- In February 2025, the Bank co-organized the “Workshop on Disclosure of Nature and Biodiversity-related Risk Management and Information” hosted by the Beijing Institute of Green Finance and Sustainability and the Shandong Financial Society. The Bank introduced practices in sustainable information disclosure with reference to the ISSB standards and its exploration of the TNFD framework application, providing reference for the pilot promotion of the TNFD framework in China.
- In March 2025, the Bank participated in the “Seminar on Nature-related Financial Risk Identification and Management” organized by the British Embassy in China and the Institute of Finance and Sustainability. The Bank shared its understanding of “managing nature-related financial risks”, measures already implemented in practice, and recommendations for financial institutions to identify and manage nature-related financial risks.
- In April 2025, the Bank participated in the Climate Investment and Financing and Sustainable Development Information Disclosure Forum. The Bank shared its practical experience and systemic framework for sustainable information disclosure, as well as its research on climate risk quantification. It also provided insights and suggestions on how financial institutions can enhance the quality of information disclosure reports and their capital market image, and on the policy guidance and technical support required for conducting climate-related information disclosure. The Bank will continue to focus on the sustainable economy sector, conducting research on relevant standards, evaluation systems, and financial product innovation related to ESG, carbon markets, and climate finance. It will strengthen cooperation and exchanges with external think tanks to promote the high-quality development of the Bank’s green finance.
- In June 2025, the Bank participated in the 2025 China Sustainable Investment Forum Summer Summit, engaging in learning and exchanges with representatives from global international organizations, investment institutions, enterprises, and academia on topics such as ESG practices, green finance, and sustainable investment decision-making. This helped integrate ESG risks and opportunities into the entire asset allocation process and guided capital flow toward green sectors with long-term value.
- In July 2025, the Bank participated in the “2025 Annual Meeting of the Green Finance Committee of the China Finance Society and Green Finance Reform and Innovation Exchange Conference” hosted by the Green Finance Committee of the China Finance Society and the Zhejiang Finance Society. The Bank shared insights on green operations and green business innovation, highlighting the Bank’s distinctive practices in the field of transition finance. They also provided constructive suggestions for financial institutions in formulating transition plans, which were widely recognized by the attendees.

- In September 2025, the Shandong Provincial Branch of the People’s Bank of China and the Provincial Department of Ecology and Environment jointly convened a government-bank-enterprise meeting on green financial services for the development of Beautiful Shandong. At the meeting, the “Financial Products and Services Manual for the Development of Beautiful Shandong” was officially released, and 13 green financial products of the Bank were successfully selected. The meeting introduced the “four-in-one” approach to advancing the development of Beautiful Shandong from four aspects: top-level design, business development, technology empowerment, and green research, with a particular emphasis on promoting featured green financial products.
- In October 2025, the Bank officially released the “2024 Natural-related Information Disclosure (TNFD) Report” at the “Natural-related Financial Disclosures Training Session” hosted by the Shandong Monetary Society, becoming the first commercial bank in China to systematically disclose natural-related information.
- In October 2025, the Bank participated in the “Corporate Nature-Related Information Disclosure Practice Training Seminar” organized by the Chinese Academy of Environmental Planning. The Bank shared its practical experience in TNFD information disclosure, enhancing its influence in the industry.
- In December 2025, the Bank participated in the 2025 Fourth Green Finance North Bund Forum to learn advanced experiences in green finance. During the GF60 Sustainable Development Awards event held after the forum, the case submitted by the Bank won the “Best Sustainable Institution Award.”



In September 2025, Meng Dongxiao, Secretary of the Party Committee and Chairman of the Bank, was invited to attend the government-bank-enterprise meeting on green financial services for the development of Beautiful Shandong.

Environment

The Bank actively practices the concept of green development, safeguards the ecological environment with financial power, fully supports the green and low-carbon transformation of society. In 2025, the Bank strengthened its top-level design in the environmental field, solidly implemented its green finance strategic plans and action plans, continuously improved its green finance management system, steadily enhanced the quality and efficiency of green financial services and environmental governance effectiveness.

- Green Finance: Leading Low-Carbon Transformation
- Climate Governance and Enhanced Risk Resilience
- Nature Conservation for a Shared Ecological Home



Green Finance, Leading Low-Carbon Transformation

Green finance-related strategies

Green finance is an important component of the Bank’s efforts to serve the real economy through the “Five Major Articles”, and a crucial pathway for implementing the national “Dual Carbon” strategy, supporting local green and low-carbon transitions, and driving its own high-quality and sustainable development. During the Reporting Period, the Bank closely followed the requirements for building Shandong Province into a pioneer in green and low-carbon high-quality development and the relevant arrangements for green finance reform and innovation in Weihai City. It proactively integrated green finance development requirements into the Bank’s overall strategic planning and management system, continuously elevating the strategic importance of green finance in resource allocation, product innovation, business promotion, and risk management.

Centering on the “Five Major Articles” of serving the real economy and the requirements for compliant and steady operations, the Bank has established the Green Finance Management Committee to further refine the green finance work pattern of “top-level coordination, departmental synergy and full staff participation”, and to promote the formation of a collaborative advancement mechanism for green finance-related work in terms of strategic planning, policy support, resource guarantee and appraisal incentives. The Bank took the lead among city commercial banks in Shandong Province to establish a Green Finance Department as the lead management department, responsible for green finance (climate and nature) policy research, development planning, business innovation, channel construction, brand promotion and talent cultivation; the Credit Approval Department of the Head Office established a professional green finance approval team and opened a green approval channel to enhance approval efficiency; at the branch level, 11 institutions including Tianjin Branch and Linyi Branch established branch-level green finance departments, and other branches are equipped with green finance specialists to exclusively promote business within their jurisdictions; The Bank’s Huancui Sub-branch, Rongcheng Sub-branch and the Head Office Banking Department have been successively recognized as municipal-level “Green Sub-branches”, creating a demonstration and leading effect.

The year 2025 is designated as the Bank’s “Year of Significant Enhancement in Green Finance”. Internally, the Bank continued to refine specialized assessment and incentivized mechanisms to embed green principles into all aspects of its management and operations. Externally, it focused on regionally distinctive green industries and key transformation areas, continuously innovated green financial products and service models, and enhanced the precision and effectiveness of financial support for green and low-carbon development. During the Reporting Period, the Bank continued to advance its business layout in supporting the green, low-carbon, and circular economy, improving the ecological environment, and protecting biodiversity.

Meanwhile, the Bank continued to incorporate environmental risks and climate-related risks and opportunities into its overall business strategy and management framework, and dynamically optimized key support areas and business layout by combining regional industrial characteristics with the transformation needs of customers. At the risk management level, the Bank continuously improved the environmental risk management and control system, gradually embedding environmental and climate factors into the entire process of business access, credit review and post-loan management, and strengthening the identification, assessment and control levels of environmental risks, transition risks and physical risks in key industries.

Green finance-related policies and systems

Green Investment and Financing Policies

The Bank continuously improves its green investment and financing policies by integrating green investment and financing management requirements into business systems, product management, credit processes, post-loan management, and performance evaluation, thereby providing institutional safeguards for the standardized development of green investment and financing business. During the Reporting Period, the Bank has established a comprehensive system covering green finance business management, carbon reduction loan management, environmental, social, and governance risk management in credit business, green finance assessment management, and specialized green finance product management.

Regarding the management of green investment and financing opportunities, the Bank continuously improves its workflow for identification, assessment, and monitoring. In the identification phase, the Bank consistently tracks key areas such as clean energy, energy conservation and environmental protection, green manufacturing, ecological restoration, and green infrastructure, identifying green investment and financing opportunities by integrating national and local green industry policy directions, regional industrial characteristics, and customers’ green and low-carbon transformation needs. In the assessment phase, comprehensive analysis is conducted by incorporating factors such as green attributes, compliance of fund usage, expected environmental benefits, customer operational and repayment capabilities, and environmental, social, and governance risks, ensuring alignment with business access and credit review requirements. In the monitoring phase, green investment and financing activities are integrated into post-loan management and daily monitoring systems, with continuous tracking of fund usage, project progress, realization of environmental benefits, and risk changes. These activities are regularly evaluated in terms of business scale, structure, and quality, in conjunction with the green finance assessment mechanism.

Table: The Bank’s Green Finance-Related Regulations for 2025

No.	Document Name	Document Type
1	“Measures for the Administration of Green Sub-branches (Trial)”	Organizational Structure
2	“Measures for the Management of the Green Finance Professional Team”	Organizational Structure
3	“Interim Measures for the Management of Transition Finance Business”	Policies and Regulations
4	“Measures for the Administration of Carbon Emission Reduction Loans”	Policies and Regulations
5	“Interim Measures for Environmental, Social and Governance Risk Management of Credit Business”	Policies and Regulations
6	“Measures for the Management of Funds Raised through Green Finance Bonds”	Policies and Regulations
7	“Green Finance Assessment and Management Measures (Trial)”	Policies and Regulations
8	“Green Finance Product Management Measures (Trial)”	Policies and Regulations
9	“Green e-Car Installment Business Operating Guidelines”	Operational Rules
10	“Interim Measures for the Management of Sustainability-Linked Business”	Operational Rules
11	“Interim Management Measures for ‘Green Factory Loans’”	Operational Rules
12	Interim Management Measures for “Green Agriculture Loan”	Operational Rules
13	“Management Measures for ‘Green e-Chain’”	Operational Rules
14	“Quick e-Loan’ Photovoltaic Loan Business Management Measures”	Operational Rules
15	“Interim Management Measures for ‘Technical Transformation Project Loan’”	Operational Rules
16	“Work Instruction for Mine Restoration Loan”	Operational Rules
17	“Guidelines for Environmental Rights Pledge Financing Operations”	Operational Rules

Green Finance, Leading Low-Carbon Transformation (Continued)

Green finance-related policies and systems (Continued)

Environmental Risk Management Policy

The departments responsible for customer ESG risk management are the Green Finance Department, Corporate Banking Department, Credit Approval Department, Risk Management Department, Legal and Compliance Department, and outlets. In accordance with the “Interim Measures for Environmental, Social and Governance Risk Management of Credit Business” of the Bank, business units, when advancing customer credit business, pay attention to and assess the potential harm and risks to the environment and society that may arise from customers’ corporate governance deficiencies and inadequate management during construction, production, and operational activities. The results of the customer ESG risk classification and evaluation are applied to the management of customer credit business.

Building on this, the Bank issued the “Interim Measures for Transition Finance Business” in April 2025, further strengthening the binding constraints on environmental risks and transition risks for high-carbon-emitting or hard-to-abate sectors. This links financing conditions to quantitative performance targets such as the reduction of carbon emissions during the customer’s transition process, thereby promoting their shift toward low-carbon or near-zero emissions. The measures emphasize that the energy efficiency levels of transformation targets for high-energy-consuming industries shall reach national benchmark or advanced levels, or even international advanced levels, to prevent the lock-in effect of high-carbon assets and to address the socio-economic impacts of the transition. Meanwhile, in terms of target setting, carbon reduction targets are required to align with the Science Based Targets initiative (SBTi) or industry decarbonisation pathways, such as the Net Zero Roadmap published by the International Energy Agency (IEA). After loan disbursement, regular information disclosure, third-party testing or assessment and certification, and ongoing verification of the achievement of performance targets shall be conducted to implement necessary risk control measures. Changes in environmental and transition performance shall be dynamically reflected in financing terms such as interest rates, forming a closed-loop management mechanism of monitoring, verification and adjustment.



1. Business Access

At the business access stage, the Bank strictly controls clients’ ESG risk classification results. Clients with incomplete corporate governance systems or those causing significant adverse environmental and social impacts are not granted access.



2. Credit Review

ESG risk classification and evaluation are incorporated into the credit review process as non-financial indicators for credit business.



3. Post-Loan Management

Require business units to strengthen the dynamic monitoring and analysis of ESG risks for credit clients, and conduct post-loan ESG risk assessments at least once a year. In the event of a significant ESG risk incident involving a client, require business units to urge the client to promptly implement relevant risk mitigation measures, and report and issue warnings regarding the potential impact of the incident in accordance with prescribed procedures.

Own Operational Carbon Emissions Management Policy

During the Reporting Period, the Bank issued the “Carbon Peak Action Plan”, which explicitly incorporates operational carbon emissions management into the Bank’s overall development strategy and medium-to-long-term plans. It systematically outlines the action pathway to achieve carbon peaking by 2030, striving for the peak as early as 2029, and establishes a closed-loop management system covering target setting, organization and implementation, process monitoring, and assessment and evaluation. Focusing on major emission sources such as electricity and heat consumption in office premises and fuel usage in official vehicles, we coordinated efforts to advance energy conservation, carbon reduction, and the optimization of the energy structure, ensuring the steady achievement of carbon emission peak targets during the process of high-quality development.

In terms of management mechanisms, the Green Finance Department was designated to oversee carbon emission management, with relevant functional departments collaborating to implement energy management and facility renovation tasks. We continuously conducted annual carbon emission accounting and analysis, dynamically identified key emission areas and major energy-consuming processes, and incorporated indicators such as carbon emission intensity into the internal management and performance evaluation system. This strengthened accountability and process supervision, promoting the institutionalized and regularized operation of carbon emission management.

Regarding emission reduction measures, we progressively advanced the electrification transformation of facilities and equipment, increased the proportion of new energy vehicles in use, and reduced fossil fuel consumption. We implemented energy-saving renovations for lighting systems and optimized the energy efficiency of air conditioning systems, promoted the use of energy-saving equipment and high-efficiency energy-consuming facilities, and increased the proportion of green electricity usage in suitable areas to reduce indirect emissions at the source. Simultaneously, we continued to expand the scope of paperless office operations and online business processing, optimized office energy consumption management, and advocated for green and low-carbon office practices. Integrating green building concepts and smart energy management measures into the construction and renovation of business outlets, we promoted the phased development of zero-carbon smart outlets to enhance the overall energy efficiency of buildings.

In terms of digital management, we have progressively developed an energy and carbon management platform to achieve centralized collection of energy data and monitoring and analysis of emissions, thereby enhancing our capability for refined carbon emission management and providing data support for decision-making and information disclosure. By combining institutional development, technological upgrades, and behavioral guidance, we have continuously strengthened the foundation for low-carbon operations, promoting resource conservation and efficient energy utilization.



Green Finance, Leading Low-Carbon Transformation (Continued)

Green finance-related policies and systems (Continued)

Compliance with Policies, Regulations, and Standards Related to Investment and Financing Activities and Own Operations

In conducting green investment and financing business, the Bank strictly adheres to the requirements of national and local environmental protection policies, laws, regulations, and standards, ensuring that related investment and financing activities align with national policy directions and contribute to the green transformation of the regional economy. In the field of green investment and financing, the Bank closely monitors and implements various policy and regulatory requirements, continuously strengthens communication and alignment with policy-making institutions, and promptly adjusts and optimizes the direction of green finance business. Particularly in investment and financing projects, emphasis is placed on conducting policy compliance reviews in areas such as clean energy, energy conservation and environmental protection, and green infrastructure. Additionally, the enforcement of environmental impact assessment standards is strengthened to ensure that all green investment and financing projects comply with legal and regulatory requirements, promoting green development while achieving economic benefits.

Adherence to International Climate and Environmental Conventions, Frameworks, and Initiatives

The Bank pays close attention to the development trends of international conventions, frameworks, and initiatives related to climate change and the natural environment. It integrates these concepts into governance, risk management, information disclosure, and financial services based on its operational practices, continuously enhancing the level of sustainability management and the quality of information disclosure. The Bank refers to international frameworks such as the International Financial Reporting Standards for Sustainability Disclosure (IFRS S1, IFRS S2) and the GRI Standards in its reporting and disclosure practices. It continues to advance the alignment of its environmental and sustainability information disclosure with internationally accepted practices. Meanwhile, the Bank has joined the United Nations Principles for Responsible Banking (PRB) and will use this as an opportunity to further integrate its development strategy and business operations with sustainability goals. This will continuously enhance its capabilities in green finance and sustainable financial services, while strengthening the identification, management, and disclosure of environmental and social impacts.

Environmental impact of Financial Institutions’ Investment and Financing Activities

Environmental Impact of Investment and Financing Business

In implementation of the national dual-carbon strategy, our bank develops transition finance business to support enterprises in energy conservation and carbon reduction as well as green transformation and upgrading.

In accordance with the “Guidelines for Carbon Accounting of Investment and Financing in High-Carbon Industries by Banking Financial Institutions (Draft for Comments)”, the Bank conducted the annual carbon emissions accounting for investment and financing related to corporate credit assets in eight high-energy-consuming industries, such as power and building materials, for the year 2025. The details are as follows:

Investment and financing category	Industry category	Daily average balance (RMB100 million)	Daily average proportion of balance (%)	Emissions equivalent (tCO2e)	Proportion of emissions equivalent (%)
Project investment and financing	Manufacture of chemical raw materials and chemical products	10.67	32.12%	63,484.08	27.01%
	Production and supply of electric power and heat	3.41	10.27%	7,347.76	3.13%
Subtotal (for project investment and financing)	–	14.08	42.40%	70,831.84	30.14%
Non-project investment and financing	Petroleum, coal and other fuel processing industry	8.87	26.69%	56,650.25	24.11%
	Manufacture of chemical raw materials and chemical products	5.01	15.09%	64,285.63	27.36%
	Smelting and pressing of ferrous metals	4.53	13.65%	40,333.36	17.16%
	Production and supply of electric power and heat	0.45	1.35%	697.17	0.30%
	Paper and paper products industry	0.27	0.82%	2,200.97	0.94%
Subtotal (for non-project investment and financing)	–	19.14	57.60%	164,167.38	69.86%
Total (for investment and financing)	–	33.22	100.00%	234,999.21	100.00%

Explanation of Carbon Accounting Methodology for Investment and Financing:

After comparing the four accounting methods outlined in the guidelines, the Bank selected the economic activity method for accounting, as the activity data required for the reporting method, physical activity method-energy method, and product method were difficult to obtain. This decision was based on data availability and the requirement for comprehensive coverage. The Bank will upgrade to more precise methods as the data foundation improves.

The logic of the economic activity method is as follows: based on the financing entity’s total operating revenue including tax for the year 2025, the annual total carbon emissions are calculated by multiplying this figure by the industry emission factor. The emissions are then allocated according to financing type. For project investment and financing, allocation is based on the proportion of the average daily loan balance to the total project investment. For non-project investment and financing, allocation is based on the proportion of the average daily loan balance to the enterprise’s total assets. If the allocation ratio exceeds 100%, it is uniformly set to 1 to avoid overestimation.

The input data for the accounting includes: average daily loan balance, the company’s 2025 total operating revenue inclusive of tax, total assets of the enterprise at year-end, total project investment amount, and industry code of the enterprise (used for matching emission factors). In response to data missing, the Bank has established following processing rules: for operational stage projects where total investment cannot be obtained or where the average daily loan balance exceeds total investment, the attribution ratio is set to 1; project loans during the construction phase that have no revenue and no construction phase emission data are temporarily excluded from the current year’s accounting.

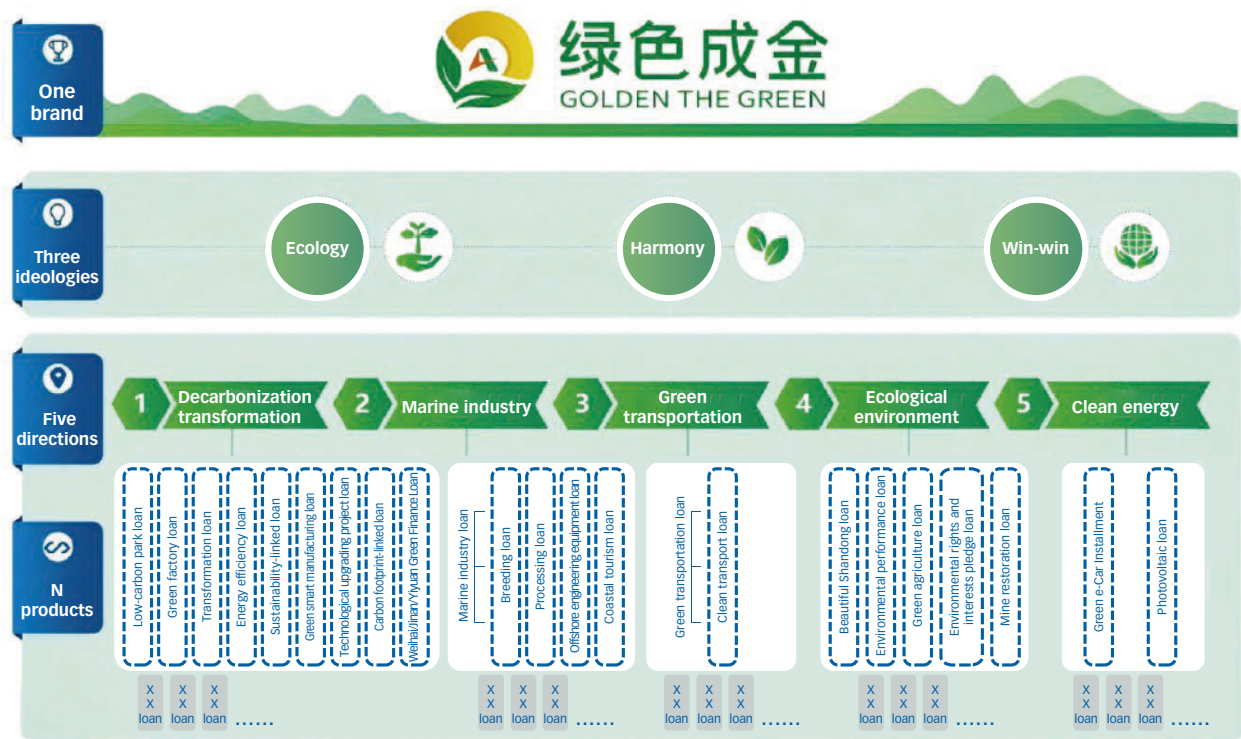
Green Finance, Leading Low-Carbon Transformation (Continued)

Environmental impact of Financial Institutions’ Investment and Financing Activities (Continued)

Environmental Benefits of Green Investment and Financing Business

In 2025, centering on the goal of high-quality green and low-carbon development, the Bank continued to build the “1+3+5+N” green finance product and management system, supported by the construction of digital systems, achieving deep integration of brand building, concept leadership, business layout, and technology empowerment.

"1" refers to building the “Golden the Green” brand, empowering green development with green finance to facilitate the transformation of “lucid waters and lush mountains” into “invaluable assets”; “3" refers to adhering to the three concepts of ecology, harmony, and win-win, actively integrating into the broader context of green development, promoting harmonious coexistence between humans and nature, and achieving mutual benefit and win-win between development and green initiatives; “5" refers to focusing on five key areas: Ocean Economy Management, Blue Skies and White Clouds, Refined Cities, Smooth Travels in Qilu, and Low-Carbon Manufacturing, precisely targeting regional green transformation and industrial upgrading; “N” refers to continuously innovating a diversified green finance product system, driven by innovation to uncover new opportunities from green development, meticulously designing differentiated products, accurately meeting the needs of the green economy, and continuously enhancing the supply capacity of green credit.



i. Green Credit

The Bank actively explored and innovated the “Green+” financial model, organically integrating green finance with marine finance, supply chain finance, and inclusive finance. During the Reporting Period, focusing on five key areas (ecological environment, carbon reduction and transformation, green transportation, marine industry, and clean energy), the Bank has established a green financial product system comprising 23 main products and 9 sub-products, covering specialized offerings such as Low-carbon Park Loan, Green Factory Loan, Marine Industry Loan, and Green Transportation Loan.

As of the end of 2025, according to the People’s Bank of China’s statistical scope for green credit, the Bank’s green credit is shown in the following table:

	2023	2024	2025
Outstanding green credit (RMB100 million)	260.21	377.13	562.10
Green loan growth rate (%)	63.13%	44.93%	50.79%
Green loan balance as a percentage of total loan balance (%)	13.52%	17.93%	24.76%

The breakdown by green investment category is shown in the following table:

Category by investment direction:	2023		2024		2025	
	Balance (RMB100 million)	Percentage (%)	Balance (RMB100 million)	Percentage (%)	Balance (RMB100 million)	Percentage (%)
Energy conservation and carbon reduction industries (Energy conservation and environmental protection industries)	20.06	8.09%	52.27	13.86%	43.62	7.76%
Environmental protection industries					43.35	7.71%
Resource recycling industries (Clean production industries)	16.25	6.25%	28.40	7.53%	49.07	8.73%
Green and low-carbon energy transition (Clean energy industries)	12.45	4.79%	18.71	4.96%	7.28	1.3%
Ecological protection, restoration and utilization (Ecological environment industries)	59.15	22.73%	85.49	22.67%	94.1	16.74%
Green upgrading of infrastructure (Green upgrading of infrastructure)	151.22	58.12%	191.30	50.73%	303.00	53.91%
Green services (Green service industries)	1.08	0.02%	0.96	0.25%	2.71	0.48%
Green trade	-	-	-	-	15.71	2.79%
Green consumption	-	-	-	-	3.26	0.58%

Note: Data for 2023 and 2024 are compiled in accordance with the Green Industry Guidance Catalog (2019), while data for 2025 are compiled in accordance with the Green Finance Supported Projects Catalog (2025).

Green Finance, Leading Low-Carbon Transformation (Continued)

Environmental impact of Financial Institutions’ Investment and Financing Activities (Continued)

Environmental Benefits of Green Investment and Financing Business (Continued)

i. Green Credit (Continued)

Actively centering on the green credit environmental benefits assessment system, the Bank, under the overarching framework of energy efficiency calculations and in consideration of local conditions, has conducted a relatively scientific evaluation and measurement of the environmental benefits generated by green credit disbursements, such as energy savings and carbon sequestration. This approach has made the role of the Bank’s green finance in promoting the green development of the local economy visible, quantifiable, and replicable. For details, please refer to the ESG Performance Table.

ii. Green Bonds

The Bank places emphasis on the comprehensive development of green business and actively supports the green economy, low-carbon economy, and circular economy through the issuance and investment of green bonds. As of the end of 2025, the Bank had cumulatively issued green financial bonds totaling RMB9,000 million, representing a year-on-year increase of 28.57%. the Bank had cumulatively invested in green financial bonds amounting to RMB2,350 million. The funds have been allocated across five key areas: energy conservation and environmental protection, clean production, clean energy, ecological environment, and green upgrading of infrastructure.



iii. Green Trade Finance ABS

The Bank pioneered the first green trade finance asset-backed securities (ABS) in Shandong Province, which were successfully issued on Shenzhen Stock Exchange and received active subscription from professional market investors. The total proceeds of RMB172.00 million were fully utilized to support green projects within the region, including flood control and drainage, as well as intelligent upgrades for energy conservation and carbon reduction in enterprises. To efficiently meet the funding needs of enterprises for green projects, the Bank established a tripartite linkage mechanism involving “head office business guidance, branch-customized solutions, and third-party professional assessment”. By securitizing accounts receivable, this model revitalizes corporate assets, effectively reduces financing costs for enterprises, and provides precise financial support for the growth of green projects. This issuance strictly adhered to the standards defined in the latest “Green Finance Supported Projects Catalog” released by China. The supported projects are projected to generate significant environmental benefits: post-implementation calculations estimate an annual saving of 15,700 tonnes of standard coal and a reduction of 34,000 tonnes of carbon dioxide emissions, delivering substantial environmental and social benefits. This product represents a deep integration of green finance and the capital market, revitalize enterprises' accounts receivable to effectively reduce corporate financing costs ,fully demonstrating the innovative advantages of the Bank’s “Green+” business model.

Information on the Financial Institutions’ Own Operational Environment

Carbon Emission Information from Own Operational Activities

Carbon inventory is a crucial task for thoroughly understanding the sources and quantities of greenhouse gas emissions from the Bank’s own operational activities. In 2025, the Bank expanded the scope of accounting and, for the first time, conducted a verification of Scope 1, Scope 2, and Scope 3 carbon emissions across the entire Bank. Additionally, the categories for Scope 3 calculation were expanded from the previous single item of carbon emissions from employee commuting and business travel to the current six items. The results are as follows:

Scope	Emission Source	2025 (tCO2e)
Scope 1	Mobile combustion sources: Fuel combustion from transportation equipment under the Bank’s operational control, including self-operated commercial vehicles and self-operated shuttle buses.	951.86
	Stationary combustion sources: Greenhouse gas emissions from the combustion of fossil fuels in the Bank’s stationary equipment, including carbon emissions from boilers, canteen stoves, and backup generators.	
	Fugitive emissions: Fugitive emissions from the Bank’s refrigeration equipment, and carbon emissions from the use of carbon dioxide (CO ₂) fire extinguishers.	
Scope 2	Greenhouse gas emissions generated from purchased electricity and heat within the Bank’s organizational boundary. The purchased electricity includes power procured from regional grids and through direct power purchase agreements, among other forms.	17,802.16
Scope 3	Carbon emissions from purchased goods and services, purchased capital goods, fuel and energy-related activities, waste generated in operations, business travel, and employee commuting.	7,193.44

Explanation on Carbon Accounting Methodology for Operational Emissions:

The carbon emission calculation methodology refers to multiple authoritative carbon accounting standards, including the Corporate Accounting and Reporting Standard, GHG Protocol Scope 2 Guidance, and Corporate Value Chain (Scope 3) Accounting and Reporting Standard issued by the Greenhouse Gas Protocol. It also incorporates the Technical Guidelines for Carbon Accounting of Financial Institutions (Trial) released by the People’s Bank of China, as well as greenhouse gas accounting methodologies for key industrial sectors issued by the National Development and Reform Commission and the Ministry of Ecology and Environment of the People’s Republic of China.

Green Finance, Leading Low-Carbon Transformation (Continued)

Information on the Financial Institutions’ Own Operational Environment (Continued)

Other Environmental Information from Our Own Operational Activities

i. Green Operations

During the Reporting Period, the Bank focused on the environmental impact generated by its own operational activities, refined the green operation management mechanism, formulated and implemented measures for energy conservation, consumption reduction, and resource efficiency. Management requirements and improvement measures were established in key areas such as energy, water resources, paper, and waste, continuously promoting low-carbon, digital, and refined practices in office and operational processes to enhance the level of green operation management. Quantitative data related to green operations are detailed in the ESG Performance Table.

Energy Management

Green Buildings and Smart Building Management The headquarters building of the Bank was designed in accordance with the Two-Star Green Building standards, implementing systematic energy-saving measures: an intelligent management system was introduced to monitor water and electricity usage in real-time, allowing for remote shutdown of public area lighting in case of abnormalities; the heating system dynamically adjusts flow based on weather changes to reduce energy waste; energy-saving air conditioning equipment was installed, with centralized control and zoned lighting management implemented alongside high-efficiency lighting fixtures; operational management was optimized to reasonably adjust equipment operating hours and parameters, and to promptly shut down energy consumption in idle areas; high-performance insulation materials were used to enhance thermal insulation and reduce heat transfer. The above measures have effectively reduced energy consumption and carbon emissions during the operational phase of the building.

Energy Conservation Management in Offices and Branches The Bank promotes green office practices and energy-saving management across its headquarters and all branch office premises, reducing energy consumption through measures such as reasonably setting air conditioning temperatures, optimizing lighting management models, posting energy-saving reminders, encouraging turning off lights when not in use, and minimizing non-essential energy use. At the same time, the Bank has established green procurement standards and processes, prioritizing energy-saving and environmentally friendly products and suppliers in the procurement of office supplies, equipment, and services. Daily inspections and supervision are strengthened to ensure the implementation of energy-saving measures. During the Reporting Period, by replacing energy-saving lamps and using energy-efficient equipment, the total electricity consumption density decreased by 4.52% year-on-year.

Employee Commuting and Business Travel The Bank advocates the concept of green travel, encouraging employees to commute using low-carbon methods such as walking, cycling, and public transportation. By combining online meetings and remote collaboration, unnecessary business travel and commuting frequency are reduced, thereby lowering energy consumption and carbon emissions related to transportation.

Advancing Energy Conservation and Emission Reduction

Advancing Energy Conservation and Emission Reduction Over 95% of the Bank’s carbon emissions are concentrated in purchased electricity and purchased heat. In the future, the Bank plans to upgrade or replace energy-using facilities and equipment such as air conditioning systems, lighting systems, and office equipment in office buildings, transforming them into facilities and equipment that utilize new energy electricity. Indoor lighting with energy-saving control functions such as zoning and grouping set according to building characteristics and natural lighting conditions. Outdoor campus lighting considers outdoor low light levels and utilizes solar power generation for illumination. Renewable energy technologies, air source heat pumps, and ground source heat pumps are used for building heating and cooling. In regions where conditions permit, the Bank procures and utilizes green electricity, employing new energy generation from the source to reduce carbon emissions.

Water Resource Management

Water Conservation The Bank proactively promotes water conservation, promptly investigates and repairs facility issues such as leaks; reduces unnecessary bottled water usage in daily office and meeting settings, and enhances water use efficiency through measures such as installing water-saving fixtures.

Wastewater and Sewage Discharge Management The Bank regulated the management of domestic sewage and catering wastewater treatment and discharge. Domestic sewage is collected, treated to meet discharge standards, and then discharged into the municipal sewage network. Catering wastewater undergoes pre-treatment such as oil separation to meet discharge standards before being discharged into the municipal network, continuously reducing the impact on the external water environment.

Paper Management

Paperless Office The Bank continued to expand the variety of online business processes, achieving full-process online and streamlined handling of internal affairs, reducing paper and human resource consumption. In terms of meeting management, priority was given to organizing meetings via video conferencing to decrease the frequency of in-person gatherings. Concurrently, the Bank consistently implemented a paperless meeting solution, applying it to important bank-wide meeting scenarios. This enabled online access to meeting materials, improved meeting effectiveness, and saving office costs.

Paperless Counter Services and Electronic Archiving The Bank optimized counter services and system functions, continuously expanded the types of paperless services, and achieved paperless customer form filling, electronic customer signatures, and electronic storage and preservation of accounting archives, thereby reducing the costs and risks associated with the warehousing and preservation of paper vouchers.

Waste Management

Green Canteen The Bank established a green canteen, implementing the concept of green operations through digital and standardized management. The canteen has established a comprehensive food procurement system. A full-dimensional catering management system has been formulated, covering personnel, food safety, and emergency handling, with full-process controls, various ledgers established and managed by designated personnel, quarterly assessments linked to performance, and regular collection of employee dining feedback. Strict waste segregation is enforced. A smart zero-inventory model is adopted for on-demand meal preparation, and “Clean Plate” slogans are displayed. From procurement and preparation to dining, all stages emphasize conservation, effectively preventing food waste.

Standardized Disposal and Reduction Initiatives The Bank has established an office waste classification and compliant disposal system, promoted paper usage reduction, standardized the recycling of obsolete electronic equipment and batteries, and reduced the use of disposable items through green procurement, thereby controlling waste generation at the source.

Green Finance, Leading Low-Carbon Transformation (Continued)

Information on the Financial Institutions’ Own Operational Environment (Continued)

Other Environmental Information from Our Own Operational Activities (Continued)

ii. Green and Low-Carbon Procurement

Green and Low-Carbon Procurement Philosophy: Implementing green procurement is a key measure for enhancing green finance. The Bank fully implements the green procurement philosophy. The Bank comprehensively applies green procurement requirements throughout the procurement processes of all branches and head office departments, fostering a green procurement culture.

Green and Low-Carbon Procurement System: The Bank strengthens the management of green procurement requirements. By comprehensively considering factors such as energy conservation and environmental protection, water conservation, recycling, low-carbon, and organic aspects in the procurement of goods, and referencing relevant national standards, the Bank incorporates relevant green procurement requirements during the formulation of goods procurement needs. Under the premise of ensuring the quality of goods, priority is given to procuring low-carbon and environmentally friendly products. At the same time, the Bank enhances supply chain qualification management by intensifying the review of suppliers’ environmental performance. Entities that have been penalized for violating environmental regulations are strictly prohibited from being shortlisted.

iii. Dissemination of Green and Environmental Protection Concepts

The Bank adheres to integrating green and environmental concepts into its corporate culture and daily management operations, continuously enhancing the green awareness and action capabilities of employees and stakeholders. During the Reporting Period, the organization conducted 65 green environmental protection training sessions.

At the internal level, the Bank has embedded requirements for energy conservation and emission reduction, green office practices, green commuting, and resource recycling into institutional processes and behavioral norms. Relying on training and advocacy, thematic activities, online learning platforms, and communication channels, it regularly conducts environmental knowledge dissemination, energy-saving initiatives, and case sharing. This guides employees to develop low-carbon habits in areas such as energy and water usage, paper and consumables, business travel and meetings, and asset management, promoting green operations from being “advocated” to becoming “self-driven”.

At the external level, the Bank continuously discloses the progress of its green operations and green finance practices through channels such as its official website, WeChat public account, business outlets, and customer events. It communicates to clients and the public the Bank’s value proposition in supporting ecological civilization construction and serving the green and low-carbon transition. Furthermore, the Bank actively collaborates with government departments, industry organizations, and community public welfare forces to participate in activities such as ecological protection, environmental advocacy, and public education. This expands the influence and reach of green concepts, fostering a sustainable development atmosphere characterized by joint participation, co-construction, and sharing.

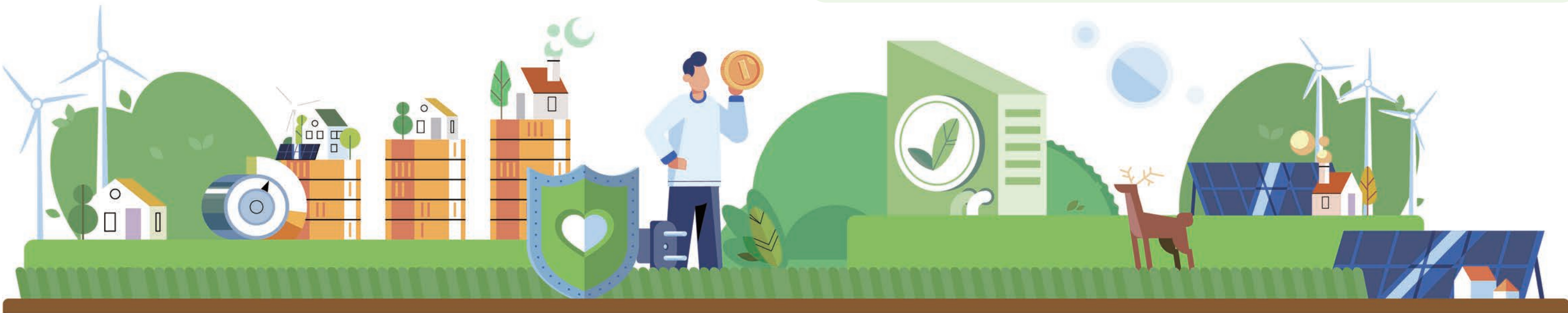
Case: Conducting the “Environmental Exchange” Public Welfare Activity to Practice Green Development Concepts

The Bank actively implemented the national dual carbon strategy, practiced the concept of green development and collaborated with communities within its jurisdiction to carry out public welfare activities for environmental exchange. As one of the first batch of green sub-branches in Weihai City, Huancui Sub-branch has established a no-threshold participation method, where residents can bring recyclable items such as waste batteries and old books to exchange for daily necessities, while simultaneously participating in the popularization of environmental protection knowledge. The Bank also continued to collaborate with communities to carry out activities such as green finance promotion, waste sorting popularization and old book recycling, integrating green and low-carbon concepts into daily community life and fulfilling social responsibilities through practical actions.



Case: Hosting a Tree-Planting Activity in the Financial Industry to Practice the Concept of Ecological Synergistic Development

The Bank practiced the concept of ecological protection and fulfilled its social responsibilities by co-hosting the “Golden Planting for Green Dreams, Banks and Enterprises Walking Together” Weihai Financial Industry Tree Planting Activity with multiple parties, assisting in the implementation of the “dual carbon” strategy and building a communication platform for the government, financial institutions and enterprises. The activity was carried out under the guidance of multiple departments, attracting the participation of nearly 200 volunteers from the financial system and key enterprises. It innovatively adopted a dual-scenario model of compulsory tree planting and industry-finance integration, incorporating green financial services into the tree-planting site, while simultaneously interpreting green credit policies, promoting relevant products and addressing the needs of enterprises. This activity has enriched the forms of green finance practice and provided a reference for the synergistic development of ecological construction and financial services.



Green Finance, Leading Low-Carbon Transformation (Continued)

iv. Green Financial Capacity Building

The Bank attaches great importance to building its capacity to support the development of green finance, continues to build a professional talent pool and simultaneously improves the digital management system, constantly enhancing the Bank-wide level of green business marketing, product and service innovation, environmental and social risk management and intelligent operations, providing solid talent and technological support for the high-quality development of green finance business.

In terms of external training, the Bank actively engaged in peer benchmarking exchanges, drawing on advanced experiences in organizational structure, product innovation, specialized outlets, and performance indicators. We also invited external experts on multiple occasions to conduct specialized training, enhancing employees’ professional capabilities in areas such as green financial project evaluation, risk management and control, and credit approval. Concurrently, we actively participated in professional training organized by associations such as the China Banking Association and established a specialized learning mechanism for green finance. Dedicated personnel were assigned to conduct daily searches for the latest policies, industry interpretations, advanced models, and exemplary cases from peers, sharing them in real-time. Based on the Bank’s actual conditions, actionable development suggestions were proposed to strengthen the supporting role of research in business operations.

Regarding internal training, the Bank focused on core areas such as green credit identification, green business marketing, and green operations to conduct specialized training, promoting the precise alignment of professional capabilities with business development. Simultaneously, we advanced the selection of internal trainers, the recording of online courses, and the delivery of lectures, continuously improving the support for internal talent cultivation.

In terms of case study learning, the Bank regularly conducted typical case-sharing activities. During the Reporting Period, we compiled and released 21 issues of typical case summaries, effectively facilitating the accumulation of experience, the transformation of knowledge, and the replication of capabilities. This promoted the systematic and regular deepening of green finance professional capacity building.

In terms of digital capacity building, the Bank actively innovated its management system and launched a green finance management system based on a microservices architecture, constructing an integrated management model covering the entire process of identification, measurement, risk control, marketing and reporting. The system integrates five core modules, namely green intelligent identification, dynamic measurement of environmental benefits, carbon accounting, climate risk stress testing and green customer marketing management, achieving digital and intelligent control over the entire process of green finance business.

During the Reporting Period, the Bank strictly adhered to the regulatory requirements of the Hong Kong Stock Exchange and the Mainland China. We conducted a total of 64 training sessions in key areas such as sustainable information disclosure, corporate governance, and new quality productive forces. Among these, 10 sessions were external training or lectures by external instructors, and 6 were centralized training. Concurrently, we advanced the selection of internal trainers, the recording of online courses, and the delivery of lectures, continuously solidifying the Bank’s comprehensive capabilities in green finance.

Typical Practices and Cases of Green Finance

During the Reporting Period, the Bank deeply engaged in the field of green finance, innovatively launching diversified green financial products and distinctive practices, thereby leveraging financial power to facilitate the green and low-carbon transformation of the real economy.

Green Financial Innovation Products

Case: “Forestry Carbon Sink Expected Revenue Rights Pledge + CCER Development Linkage” Loan Implementation

The Bank actively implementd the national “dual carbon” strategy and innovated green financial services by granting a RMB10 million pledge loan secured by the right to expected earnings from forestry carbon sinks to a nursery enterprise. The loan is linked to the development of China Certified Emission Reductions (CCER) to enhance credit and facilitate lending through carbon, effectively revitalizing forestry resources and alleviating the financing difficulties of the enterprise. The Bank, taking into account the characteristics of local agriculture and forestry industries, has tailored financing solutions for enterprises, collaborated with professional institutions to conduct carbon sink value assessments, and set preferential interest rates to incentivize enterprises to scientifically manage and protect forests and enhance their motivation for carbon sink development. The business achieves a win-win situation for both ecological and economic benefits, broadens the financing channels for the pledge of ecological rights and interests and provides a practical example for financial support of the green development of forestry.



Case: Innovative Launch of “Green Factory + CBAM-Linked” Loan

The Bank continued to innovate green finance products and has implemented a RMB10 million “Green Factory + Carbon Border Adjustment Mechanism (CBAM) Linked” loan. Targeting green factory enterprises that export products to Europe, the Bank customized a financing scheme based on their product carbon emission certificates, directly linking carbon emission reduction performance with loan interest rate incentives. Enterprises can enjoy interest rate incentives upon meeting carbon emission reduction targets, which encourages them to optimize production and reduce their carbon footprint. While assisting enterprises with export compliance, this further explores new paths for financial support of carbon emission reduction.



Green Finance, Leading Low-Carbon Transformation (Continued)

Typical Practices and Cases of Green Finance (Continued)

Green Financial Innovation Products (Continued)

Case: “Low-Carbon Park Loan” Facilitates Development of Zero-Carbon Industrial Park in the Yellow River Basin

To support the green industrial upgrading of the Yellow River Basin, the Bank granted a “Low-carbon Park Loan” of RMB182 million to a local key zero-carbon industrial park, specifically for the infrastructure construction of a green intelligent manufacturing base. The park is the first off-grid zero-carbon industrial park in the country to achieve 100% direct green power connection, and upon completion, it can achieve green power tracking and certification across the entire battery production chain. The Bank established a dedicated team for coordination during the early stages of the project, customized a comprehensive financial solution, optimized the credit limit, tenor, interest rate and repayment arrangements, and opened a green approval channel to efficiently safeguard the project construction. The business focuses on zero-carbon park scenarios, incorporating green electricity application and low-carbon effectiveness into the evaluation system, achieving precise matching between green projects and financial resources.

Case: Innovative Launch of First “Water-Saving Performance-Linked Loan”

The Bank innovatively launched the “Water-Saving Efficiency-Linked Loan” to provide RMB45 million in credit support to a national high-tech enterprise in Shandong, achieving a direct link between financing costs and the enterprise’s water-saving performance. The enterprise possesses an internationally advanced digital workshop for injections, and its water use efficiency in production has significantly improved. The Bank adopts a “benchmark rate + dynamic adjustment” pricing mechanism, stipulating that if an enterprise’s water consumption data decreases by 5% compared to the benchmark value, an interest rate discount will be triggered. This creates a virtuous cycle of water conservation and efficiency enhancement, financing cost reduction and capital-assisted transformation, providing a replicable practical model for the green upgrading of high water-consuming industries.

Construction of Benchmark Energy-Saving and Emission-Reduction Branches

In 2024, the Bank purchased 138.7 tonnes of marine carbon sink indicators and subscribed to an additional 300 tonnes of carbon dioxide equivalent in 2025, specifically designated for carbon neutrality at green sub-branches, fully committed to creating “carbon-neutral” branches. Building on this, the Bank actively explores multiple pathways to establish “zero-carbon branches”, continuously promotes the green and low-carbon transformation of branches across the entire Bank, and accelerates the construction of green finance exhibition halls.

Following the designation of Huancui Sub-branch as one of Weihai’s first batch of “green Sub-branches”, the Bank’s Rongcheng Sub-branch and Head Office Business Department were successfully selected as part of Weihai’s second batch of “green Sub-branches” in 2025. Each green Sub-branch actively conducts market research and on-site visits to existing clients, deeply explores regional green finance needs, strictly adheres to green finance access standards, and maintains rigorous control throughout the entire process, including business investigation and credit approval, providing key support to enterprises and projects that align with policy directions and meet standard requirements. Simultaneously, leveraging the credit management platform, the Bank strengthens risk monitoring and early warning mechanisms, promptly identifying and addressing potential risks. Through multiple channels and formats, promotional efforts are carried out to continuously enhance the brand awareness and market influence of green finance, ensuring the steady and sustainable development of green finance operations.

The establishment of green Sub-branches represents a significant initiative by the Bank to actively support Shandong Province’s construction as a pioneering zone for green, low-carbon, and high-quality development, and to assist Weihai in establishing a national pilot zone for green finance reform and innovation. The Bank has formulated the “green Sub-branch Operation Management Measures”, integrating low-carbon operational requirements into daily operational standards to continuously reduce energy and resource consumption in operational processes. The Bank will provide differentiated policy support for green sub-branches in terms of credit resources, approval processes, fund pricing, performance evaluation, staffing, and professional training. It will actively explore replicable and scalable practical experiences and continue to deepen the reform and innovation of green finance. The Bank plans to establish or renovate no fewer than 10 net-zero carbon branches by 2030, forming a replicable and scalable model for net-zero carbon branch construction, which will be implemented and applied across all its branches.

Case: The Bank Successfully Signed Shandong Province’s First Oyster Carbon Sink Project to Support the Creation of a Net-Zero Carbon Branch

The Bank purchased 300 tonnes of carbon dioxide equivalent of oyster carbon sinks for the purpose of creating “zero-carbon” branches. Oysters can effectively absorb carbon dioxide during their growth process, possessing significant carbon sink value. The “Rushan City Double-Shell Bivalve Aquaculture Carbon Sink Project” is the first oyster carbon sink trading project in the province. It also represents a key initiative for Weihai City in establishing a national green finance reform and innovation pilot zone and securing a leading position in the development of marine carbon sinks. This purchase of oyster carbon sinks not only contributes to achieving carbon neutrality at branches but also strongly promotes the transformation of oyster ecological value into economic value. It demonstrates the Bank’s firm commitment to actively taking responsibility for green development.



Climate Governance and Enhanced Risk Resilience

Climate-Related Strategy

During the Reporting Period, the Bank released the “Carbon Peaking Action Plan”, which serves as a key action framework for implementing the national “dual carbon” strategy and systematically advancing the green transition. Centered on achieving carbon peaking by 2030, the Plan focuses on three key areas: “low-carbon operations, scaled development of green finance and specialized innovation in carbon finance”. It establishes a “135” implementation pathway, coordinating key initiatives such as low-carbon operations, digital & intelligent carbon management, green financial product innovation, risk & climate management, and sustainable information disclosure. The Plan also promotes the orderly implementation of these tasks through measures like refining assessment mechanisms and strengthening organizational support. For climate-related targets, please refer to page 26.

The Bank is progressively establishing and improving a comprehensive climate risk management system. This system aims to systematically identify and assess the potential risks and opportunities posed by climate changes to the financial sector, thereby enhancing the Bank’s climate risk management effectiveness, ensuring the stability of its operations, and promoting the achievement of sustainable development goals.

To address the challenges of climate change, the Bank has deepened its assessment mechanisms for the impact of climate change on clients’ business activities. It accelerates the phasing out of outdated production capacities and enterprises that fail to meet emission standards, while increasing support for enterprises undergoing green transition. These requirements are integrated into all aspects of rating, investment, and financing activities, ensuring the effective identification, quantification, monitoring, and management of climate risks involved in investment and financing activities.

Additionally, the Bank conducted scenario analysis and stress testing on climate risks to accurately assess the potential impact of climate change on credit assets. The test results indicate that under extreme stress scenarios, although the credit risk of clients in high-carbon emission industries has increased, due to the relatively low proportion of such assets in the Bank’s overall credit portfolio and the adequate provisions already set aside by the Bank, the overall impact on the Bank’s capital adequacy ratio remains within a controllable range.



Figure: Main Contents of the “Carbon Peak Action Plan”

Climate Governance and Enhanced Risk Resilience (Continued)

Management of Climate-Related Risks and Opportunities

Identification of Climate Risks and Opportunities

Table: Environmental (Climate) Related Risks

Risk Category	Specific Classification	Impact Period ¹	Description	Potentially Affected Financial Indicators and Impact Magnitude ²	Response Measures
Transition Risks	Policy and Regulatory Risks	Medium Term	Increasingly stringent national and local requirements on pollutant emissions and management, water withdrawal and discharge permits, among others, may lead to higher compliance costs, extended project approval cycles, or capacity constraints for clients in high environmental impact industries. Some assets may face the risk of being stranded or impaired. Concurrently, enhanced financial regulatory requirements for credit review and information disclosure in high-risk sectors may prompt the Bank to adjust its industry access and credit strategies, resulting in changes to the business structure and increased management costs in the short term.	Operating Income (Low)	- Promptly monitor relevant policy documents issued by the state on low-carbon transition, green finance, and climate risks, and conduct internal training and learning. - Timely incorporate credit review requirements for high carbon emission industries into credit policies, strengthen close cooperation with clients in high carbon emission industries, support and assist clients in their low-carbon transition, and achieve synergistic development with clients. - Proactively adapt to regulations and standards: explore and track domestic and international policy developments, and preemptively implement compliance measures.
	Technical Risks	Short Term	Insufficient investment or delayed upgrades in technological renovations related to cleaner production and pollution control, water and energy conservation, recycling, and ecological restoration may lead to increased unit costs, heightened risks of non-compliance with environmental standards, forced production halts for rectification, or loss of market access. These factors could weaken cash flow and elevate the probability of default.	Research and Development Costs (Low) Variable Costs (Low)	Integrate sustainability criteria into financing arrangements by exploring the use of environmental certifications and the adoption of green production technologies as core conditions for credit extension, thereby guiding traditional clients toward a low-carbon transition.
	Market Risks	Medium term	Growing consumer and downstream supply chain preferences for green, organic, sustainable, and traceable products may erode the market share of high-pollution, high-resource-consumption products, leading to reduced customer orders, weakened bargaining power, or forced additional environmental investments. Concurrently, heightened demands from investors and procurement parties for “nature-positive/deforestation-free” standards may accelerate industry consolidation, altering customer profitability models and repayment capacity. If the Bank’s response to market trends is insufficient, the credit portfolio may face structural declines in returns and increased default risks.	Operating Costs (Low) Stock Price (Low)	Strengthen communication with investors and stakeholders, promptly address investors’ concerns regarding the Bank’s climate risk management efforts, fully safeguard investors’ right to information through high-quality information disclosure, and gradually incorporate investor requirements into the Bank’s climate risk management practices.
	Reputational Risks	Long term	If the Bank’s financing projects are located in or impact ecologically sensitive areas and cause ecological damage (such as oil spills, habitat destruction, illegal occupation of wetlands/coastal zones), or if clients experience significant environmental violations or mass incidents, it will attract attention from the media, the public, and regulators, leading to damage to brand image, a decline in customer trust, and potentially affecting deposit stability, interbank cooperation, and market financing capabilities; poor performance in information disclosure and ESG evaluations may also result in external rating downgrades and capital market volatility.	Operating Income (Low)	Conduct thorough investigations to understand stakeholders’ concerns regarding the Bank’s response to climate change, disclose information related to climate risk management in accordance with regulatory requirements, ensure the timeliness and transparency of information disclosure, and avoid adverse impacts on the Bank’s reputation.
	Liability Risks	Medium to Long Term	If the Bank’s financing activities are determined to be associated with pollution incidents or non-compliant development, it may face liability risks such as regulatory penalties, administrative accountability, litigation claims, and shared environmental remediation costs.	Operating Income (Low)	- Comprehensive Environmental Due Diligence Process: Explore deepening environmental compliance reviews before, during, and after lending to ensure client activities align with regulations. - Embedding Responsibility Clauses: Explore specifying clients’ environmental protection responsibilities and consequences of breach in loan agreements.

¹ The Bank defines short-term as 1 year, medium-term as 1-5 years, and long-term as over 5 years.

² In accordance with the climate-related disclosure requirements of the Hong Kong Stock Exchange's "Environmental, Social and Governance Reporting Code", the Bank has conducted an assessment of the current or anticipated financial impacts arising from climate-related risks and opportunities. After prudent analysis, the Bank believes that at the current stage, the measurement methods used to assess the relevant impacts still carry a high degree of uncertainty. The selection of relevant parameters, the scope of data coverage, and methodological assumptions require further refinement. Consequently, the quantitative estimates derived therefrom have limited reference value and may not adequately and robustly reflect the climate-related financial impacts faced by the Bank. Therefore, during the Reporting Period, the Bank did not disclose quantitative information regarding current or anticipated financial impacts. As an alternative, the Bank has conducted qualitative analyses on the relevant impacts. In conjunction with its business structure, industry distribution, and risk management practices, the Bank has identified and described key business areas and relevant items in the financial statements that may be affected by climate-related risks and opportunities. The Bank will continue to enhance its climate risk data foundation, measurement methodologies, and scenario analysis capabilities to improve the reliability and comparability of quantitative assessments. It will progressively advance the disclosure of relevant quantitative information when conditions are mature.

Climate Governance and Enhanced Risk Resilience (Continued)

Management of Climate-Related Risks and Opportunities (Continued)

Identification of Climate Risks and Opportunities (Continued)

Table: Environmental (Climate) Related Risks (Continued)

Risk Category	Specific Classification	Impact Period ¹	Description	Potentially Affected Financial Indicators and Impact Magnitude ²	Response Measures
Physical Risks	Acute Risks ³	Short term	Natural disasters in Shandong Province are primarily characterized by wind and hail, as well as floods, with snow disasters, earthquakes, and forest and grassland fires occurring to varying degrees. Extreme weather events such as heavy rain, hail, strong winds, and floods may trigger coastal erosion and damage to facilities, leading to interruptions in the production and operations of some customers, asset damage (e.g., aquaculture farms, factories, equipment), and cash flow constraints. Simultaneously, fluctuations in the value of collateral and increased difficulty in disposal may elevate credit risk and operational risk.	Fixed Asset Value (High) Variable Cost (High) Operating Income (Medium)	- Develop emergency response plans for sudden extreme weather and natural disasters, prepare for disaster prevention and mitigation, and strengthen daily risk monitoring. - Upon receiving warnings of extreme weather or natural disasters, promptly arrange for the evacuation of employees from hazardous areas and implement disaster prevention measures. In the event of employee injuries caused by extreme weather or natural disasters, provide timely care and support to affected employees. - Actively conduct disaster reduction and prevention awareness campaigns for clients facing higher short-term physical risks, encouraging them to enhance climate risk response measures and develop contingency plans in advance.
	Chronic Risks	Medium to Long Term	Slow-moving variables such as long-term water scarcity and water quality deterioration, soil degradation and salinization, sea-level rise and coastal ecosystem degradation may reduce the production capacity and profitability of clients in agriculture, forestry, animal husbandry, and fisheries, leading to increased operating costs, declining asset quality, and pressure on the value of collateral (agricultural land, marine-related assets). Concurrently, the spread of invasive species may weaken the ecological services of forests/wetlands and affect the stability of related industrial chains. For the Bank, these risks have long and latent impact cycles and are prone to transmit to the asset portfolio through industry downturns and regional economic decline.	Operating Income (High) Operating Costs (High)	Strengthen communication and collaboration with authoritative institutions and regulatory bodies, research and continuously monitor medium- to long-term climate change trends, quantify the potential impact of long-term climate risks on the Bank, and formulate relevant policies to address medium- to long-term climate risks.
Systemic Risks		Long term	Water resource crises, marine pollution, soil degradation, and biodiversity loss may lead to the systemic decline of critical ecosystem services, triggering regional resource constraints, industrial chain disruptions, and economic growth slowdown. The correlation of defaults in related industries (such as agriculture, fisheries, manufacturing, etc.) may increase, resulting in concentrated exposures. Coupled with the intensification of climate change impacts such as droughts and storm surges, this could trigger systemic impairment of asset portfolios and liquidity pressures, thereby affecting the stability of capital and profitability.	Value of Fixed Assets (High) Operating Income (Medium)	- Explore in-depth integration into local green finance-related strategies, and channel financial resources into ecological restoration and sustainable development fields. - Explore the promotion of the transition of the investment and financing portfolio towards “nature-positive” outcomes, and set relevant long-term targets.

3 Based on statistics from the Shandong Provincial Department of Emergency Management, select the main types of physical risks affecting the Bank’s own operations and its clients.

Climate Governance and Enhanced Risk Resilience (Continued)

Management of Climate-Related Risks and Opportunities (Continued)

Identification of Climate Risks and Opportunities (Continued)

Table: Climate-Related Opportunities

Opportunity Category	Specific Classification	Impact Period ⁴	Description	Potentially Affected Financial Indicators and Impact Magnitude ⁵	Response Measures
Climate-related Opportunities	Market Opportunities	Medium to Long Term	With the advancement of the national dual-carbon policy, local green industry planning, and the increasing demand for low-carbon transformation from customers, there is growing demand for products and services such as green credit, green bonds, and sustainability-linked loans. The Bank can achieve business scale and revenue growth by expanding its green financial product system and enhancing coverage in key industries.	Operating Income (High)	- Refine the green and transition finance product system and pricing strategy, establishing key customer group lists and project libraries focusing on areas such as clean energy, energy conservation and environmental protection, green manufacturing, green building and transportation. - Embed climate factors into credit granting access and due diligence processes, forming fast-track approval for green projects and specialized credit lines. - Strengthen cooperation with government departments, industrial park platforms, and third-party assessment institutions to enhance project identification and certification efficiency. - Establish a green business performance assessment and resource allocation mechanism.
	Reputational Opportunities	Medium to Long Term	Regulators and investors are increasingly focusing on climate-related information disclosure, green operations, and social responsibility. By conducting transparent disclosures in climate governance, green finance, and low-carbon operations, the Bank can enhance social recognition and brand influence, strengthen customer loyalty and the ability to attract high-quality clients, thereby driving business expansion and improving overall returns.	Operating Income (High)	- Establish a climate governance and information disclosure mechanism, and continuously conduct disclosures and external communications related to green finance. - Promote green operations and energy-saving renovations, establishing demonstration branches and green offices. - Develop climate and green finance branding, building a key case library and external communication materials. - Introduce third-party verification/ratings to enhance credibility. - Strengthen employee training and compliance management to mitigate the risk of “greenwashing”
	Resource Use Efficiency	Short term	Enhance the efficiency of energy, water, paper, and office supplies usage through measures such as energy-saving retrofits, digital operations, green procurement, and full lifecycle asset management, thereby reducing operational costs and energy consumption per unit of business, improving operational resilience and management refinement, and mitigating cost pressures arising from energy price fluctuations.	Operating Costs (High)	- Develop operational decarbonization and energy-saving management plans, conduct energy consumption audits and energy-saving diagnostics. - Promote energy-saving retrofits (e.g., lighting, air conditioning) and equipment upgrades at branches and office buildings. - Promote online and paperless processes and centralized procurement, optimizing travel and vehicle management. - Establish an energy consumption indicator monitoring and assessment mechanism, conducting benchmarking and continuous improvement by branch/department. - Explore feasible pathways such as green electricity procurement and distributed photovoltaic systems.

⁴ The Bank defines short-term as 1 year, medium-term as 1-5 years, and long-term as over 5 years.

⁵ In accordance with the climate-related disclosure requirements of the Hong Kong Stock Exchange's "Environmental, Social and Governance Reporting Code", the Bank has conducted an assessment of the current or anticipated financial impacts arising from climate-related risks and opportunities. After prudent analysis, the Bank believes that at the current stage, the measurement methods used to assess the relevant impacts still carry a high degree of uncertainty. The selection of relevant parameters, the scope of data coverage, and methodological assumptions require further refinement. Consequently, the quantitative estimates derived therefrom have limited reference value and may not adequately and robustly reflect the climate-related financial impacts faced by the Bank. Therefore, during the Reporting Period, the Bank did not disclose quantitative information regarding current or anticipated financial impacts. As an alternative, the Bank has conducted qualitative analyses on the relevant impacts. In conjunction with its business structure, industry distribution, and risk management practices, the Bank has identified and described key business areas and relevant items in the financial statements that may be affected by climate-related risks and opportunities. The Bank will continue to enhance its climate risk data foundation, measurement methodologies, and scenario analysis capabilities to improve the reliability and comparability of quantitative assessments. It will progressively advance the disclosure of relevant quantitative information when conditions are mature.

Climate Governance and Enhanced Risk Resilience (Continued)

Management of Climate-Related Risks and Opportunities (Continued)

Climate Risk Management

To assess the risks and opportunities for corporate clients during the dual-carbon transition and climate change, and to enhance the forward-looking nature of internal risk management, the Bank has incorporated climate factors into its ESG risk management framework. It has conducted specialized research on measuring climate risk exposures for enterprises in high-carbon emission industries and plans to gradually extend this scope of work to other industries.

Climate Risk Scenario Analysis and Stress Testing

The Bank’s testing covers the electricity, heat production and supply industry, as well as the petrochemical industry. For physical risks, the assessment factors are determined based on the characteristics of natural disasters faced by the main asset distribution areas of these industries. For transition risks, key factors such as tightening carbon emission and energy policies, and rising energy prices faced by these industries during the low-carbon transition process are primarily considered, based on which transition risk assessment factors are determined.

Table: Climate Risk Drivers

Climate Risk	Risk Drivers
Physical Risks	Typhoons, Floods, Landslides
Transition Risks	Energy Prices (Coal, Oil, Electricity, Natural Gas) and Carbon Price

i. Climate Risk Scenario Selection and Related Parameter Assumptions

In selecting scenarios, the Bank referenced internationally recognized scenarios provided by the Network for Greening the Financial System (NGFS), and conducted calculations based on three major climate scenarios: Net Zero 2050, Delayed Transition, and Current Policies. These scenarios cover various climate and economic pathways, ranging from orderly transition to delayed transition and to scenarios with insufficient policy efforts. They comprehensively reflect the changes in the Bank’s exposure to transition risks and physical risks under different assumptions regarding policy intensity, pace of technological advancement, fluctuations in energy prices, and carbon price pathways. In terms of physical risk scenarios, the relevant physical risk parameters used in this project are referenced from the International Institute for Applied Systems Analysis (IIASA) database. Regarding transition risk scenarios, this project employs the energy price and energy demand pathways provided by the NGFS scenario database as the macro theoretical basis, and references the “2022 China Carbon Emissions Trading Price Survey Report” for domestic carbon price parameters, conducting stress testing analysis for the period from 2030 to 2050.

Table: Transition Risk Scenarios – Carbon Price Factor

Scenario category	2030 (RMB/tonne)	2040 (RMB/tonne)	2050 (RMB/tonne)
High risk	701.16	1,423.86	2,146.56
Medium risk	495.89	981.69	1,467.49
Low risk	290.62	577.22	863.22

Table: Climate Risk Scenario Definitions

Category	Scenario
Orderly	Net Zero 2050: Limiting global warming to 1.5° C through stringent climate policies and technological innovation, achieving global net-zero carbon emissions by 2050.
Disorderly	Delayed Transition: Assumes annual emissions reductions will not commence until 2030, requiring strong policies to limit warming below 2° C, with limited negative emissions.
Hothouse world	Current Policies Scenario: Only implementing existing policies would lead to higher physical risks. Existing climate policies remain in effect, but policy enforcement has not been effectively strengthened.

ii. Measurement Results of Climate Risk Exposure

Based on the measurement, no high-risk results were observed in the bank’s physical risk stress testing. Across various scenarios, low-risk loans account for approximately 95% of the loan portfolio, while medium-low risk loans account for approximately 5%. As the client’s industry is capital-intensive, fixed assets have a relatively significant impact on operations, and physical risks substantially affect tangible assets. For capital-intensive enterprises, even a minimal disaster loss rate can result in substantial economic losses in the event of a disaster. Therefore, these enterprises need to prioritize disaster contingency plans and drills in their daily operations, ensuring effective risk response and management. The Bank will focus on the physical risk response capabilities of the aforementioned medium and high-risk enterprises, ensuring effective risk management and control. For medium and low-risk enterprises, we will regularly monitor their physical risk status to mitigate the impact of physical risks.

Climate Governance and Enhanced Risk Resilience (Continued)

Climate Governance and Enhanced Risk Resilience (Continued)

Management of Climate-Related Risks and Opportunities (Continued)

Climate Risk Scenario Analysis and Stress Testing (Continued)

ii. Measurement Results of Climate Risk Exposure (Continued)

In terms of transformation risks, test results indicate that under various scenarios, with the medium- and long-term upward trend of carbon prices and energy prices, the operating costs of high-carbon industry enterprises continue to increase, and profit margins narrow, leading to a corresponding increase in credit risks and sustained pressure on enterprise operation and repayment capabilities. Due to the strong rigidity of production energy demand in carbon-intensive industries, the impact of energy and carbon emission costs on operating efficiency is relatively prominent. The upward trend of transformation costs will directly weaken the debt repayment ability of enterprises. Therefore, relevant enterprises need to proactively comply with policy guidance, accelerate energy-saving and carbon reduction transformation, and optimize energy consumption structure. The Bank will continue to track the operating conditions of key industry customers, deepen the research and judgment of transformation risks, carry out differentiated credit control according to actual conditions, actively urge enterprises to undergo low-carbon transformation, and continuously consolidate the foundation for transformation risk prevention and control.

Due to the fact that the scenario chosen for this stress test in terms of transformation risk involves a prediction of rising energy and carbon prices that aligns with international common practice, and the predicted price increase is generally higher than the actual situation in China, the impact on the Bank's customers in real-life scenarios is expected to be lower than the measurement results of this study. However, given the increasingly stringent trend of China's policies on carbon emission reduction, our bank will still urge customers to promptly adopt low-carbon transformation measures to address climate transformation risks.

Emergency Response Measures and Disclosure Mechanisms for Climate Change-related Risk Events

The Bank has established and improved an emergency response mechanism for material climate-related risk events. For sudden climate risk events such as extreme weather and climate disasters, the Bank has refined rapid response procedures and information disclosure arrangements to ensure timely and efficient risk management, as well as standardized and orderly information release. To ensure the consistency, accuracy, and authority of information disclosure, the Bank has developed a unified external response framework. All externally released information undergoes a rigorous internal review process to ensure that investors, regulatory authorities, clients, and other stakeholders receive timely, truthful, accurate, and complete relevant information.

Capital Expenditure on Climate-related Risks and Opportunities

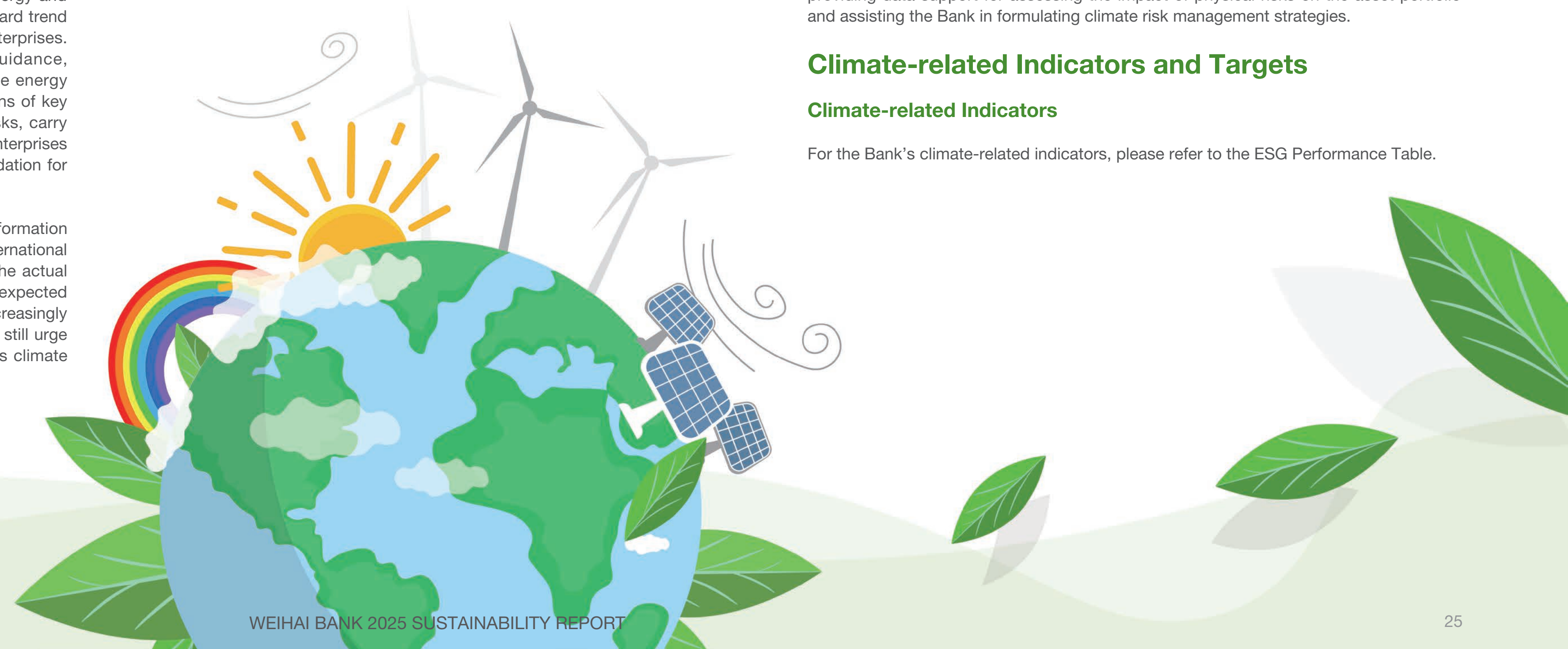
In 2025, the Bank continued to increase its digital investment in climate risk management. The developed Green Finance Management System incorporates climate risk stress testing as a core function, establishing a specialized and intelligent climate risk stress testing tool. This supports business personnel in efficiently conducting climate risk assessments, accurately identifying and quantifying the potential impacts of adverse climate scenarios on the Bank's overall operations, asset quality, profitability, capital adequacy levels, and liquidity position.

Climate risk stress testing function of the system covers two core modules: Transition risk test: It is allowable to conduct the test based on different climate scenarios, by industry or customer scope, to model and calculate the fluctuations in corporate customers' financial data under changes in factors such as carbon prices; Physical risk test is allowable to configure the test based on business region, testing horizon, and base period to predict the proportion of loans affected under different risk levels, providing data support for assessing the impact of physical risks on the asset portfolio and assisting the Bank in formulating climate risk management strategies.

Climate-related Indicators and Targets

Climate-related Indicators

For the Bank's climate-related indicators, please refer to the ESG Performance Table.



Climate Governance and Enhanced Risk Resilience (Continued)

Climate-Related Targets

Based on the Long-range Energy Alternatives Planning System (LEAP) and the Kaya model, and taking into account the actual situation of Weihai Bank, the Bank predicts its bank-wide carbon emission trends and sets the carbon peak targets for its Scope 1 and Scope 2 emissions as follows:

Peak total carbon emissions before 2030, striving to achieve the peak by 2029.

Total carbon emissions. By 2028, the carbon emissions of the Bank shall not exceed 15,500 tons. By 2030, carbon emissions shall not exceed 16,000 tonnes.

Carbon emission intensity. Carbon emission intensity will decrease gradually. By 2028, the carbon emission intensity of the Bank is expected to be reduced by approximately 3.0% compared to the base year 2023; by 2030, it is expected to be reduced by approximately 5.0% compared to the base year.

Green finance business. By 2030, the outstanding balance of green loans is expected to grow steadily, accounting for no less than 27% of the Bank’s total loan portfolio.

Zero-carbon branch construction. The Bank steadily advances green and low-carbon operational measures, selecting suitable business branches to develop into zero-carbon branches. By 2030, the Bank aims to construct or renovate no fewer than 10 zero-carbon branches, establish a template for zero-carbon branch construction, and promote it to other branches.

Based on carbon inventory and carbon peaking analysis reports, the Bank, in strict alignment with policies and group requirements and considering its characteristics as a financial institution, scientifically sets climate-related targets and breaks them down into phased short-, medium-, and long-term indicators. The Green Finance Management Committee coordinates, and the Green Finance Department leads cross-departmental target review. Progress toward these targets is monitored multi-dimensionally through organizational scheduling and supervision, real-time monitoring via energy and carbon digital platforms, carbon indicator assessment and accounting, daily task management, and regular carbon inventory.

The Bank will integrate and disclose core performance information on climate-related targets, such as carbon emissions, low-carbon operations, and green finance, in its annual sustainability reports. Concurrently, by leveraging historical data tracking, multi-dimensional breakdown, real-time monitoring, and benchmarking against industry and group standards, the Bank will analyze performance trends and changes. It will also forecast future performance directions based on strategic planning and propose optimization measures for identified weaknesses.

Classic Cases Related to Climate

Case: Innovative Launch of First “Product Carbon Footprint-Linked Loan” in Shandong Province

The Bank innovatively implemented the first “product carbon footprint-linked loan” in Shandong Province, providing RMB22 million in credit funds to a certain chemical enterprise in Weihai. The enterprise is primarily engaged in the production of coatings and electronic adhesives and has completed carbon footprint accounting and green factory certification. Accordingly, the Bank has linked the loan interest rate to its carbon emission levels, whereby the enterprise may enjoy interest rate concessions upon meeting emission reduction targets. This utilizes financial instruments to incentivize the enterprise’s continuous green and low-carbon transformation and enhance its market competitiveness.



Case: Innovative “Blue Carbon Pledge” Addresses Financing Challenges for Technology Enterprises

The Bank has innovatively launched a blue carbon pledge loan model, converting the value of marine carbon sinks into financeable assets, effectively resolving the issues of insufficient collateral and financing difficulties faced by marine science and technology enterprises. For a marine technology enterprise specializing in green aquaculture and R&D upgrading, the Bank has established a full-process service covering carbon sink rights confirmation, valuation and credit extension. Based on the market price of carbon sinks, the Bank evaluated its future income rights and completed the pledge, granting a loan of RMB3 million to the enterprise, thereby opening up a new channel of “carbon-for-loan” for light-asset marine science and technology innovation enterprises.

Case: Innovative Launch of First “Dual-Registered Carbon Quota Pledge + Sustainability-Linked”

The Bank launched an innovative “dual-registered carbon quota pledge + sustainability-linked” loan model, providing RMB8 million in working capital support to the enterprise to facilitate its green transformation through market-oriented means. The Bank relies on the central bank’s credit reference system and the Tianjin Emission Rights Exchange to achieve dual-channel pledge registration of carbon allowances, effectively revitalizing corporate carbon assets and strictly controlling compliance risks. At the same time, the loan interest rate is linked to the enterprise’s emission reduction performance. The enterprise can enjoy interest rate concessions if its carbon dioxide emissions decrease by 10% compared to the baseline, allowing energy conservation and emission reduction to be directly converted into a financing cost advantage.



Nature Conservation for a Shared Ecological Home

The Bank actively explored the disclosure of information in accordance with the TNFD “Framework for Nature-Related Financial Disclosures”. In October 2025, the Bank released the “2024 TNFD Report on Nature-related Information Disclosure”, becoming the first commercial bank in China to systematically disclose nature-related information. Through a comprehensive assessment of the dependencies and impacts between the Bank’s entire business operations and nature, we have identified multiple categories of physical and transition risks. From this assessment, we have distilled three major nature-related development opportunities, providing clear guidance for subsequent risk identification and opportunity capture.

Our Relationship with Nature

The Bank has comprehensively incorporated nature-related risks and opportunities into its development strategy, recognizing that its own operations and investment and financing activities are both highly dependent on healthy ecosystems and have a direct impact on them.

At the level of its own operations, the Bank’s outlets are concentrated in Shandong Province and Tianjin Municipality, all of which are located within existing office buildings. There has been no change in the nature of land use, and the direct impact on biodiversity is limited. The construction of outlets involves changes in land use patterns, and daily operations involve the consumption of resources such as electricity and fresh water. Through green operations, the Bank strictly controls energy, water consumption and paper use, and implements green and low-carbon procurement and standardized supplier management to minimize the potential impact on biodiversity throughout all stages of operation. At the same time, outlets face differentiated natural disaster risks. Inland outlets such as Jinan need to guard against urban waterlogging in summer and autumn, while coastal outlets such as Weihai, Tianjin and Qingdao continuously face threats from marine disasters such as typhoons, storm surges and tsunamis. The health of coastal ecosystems has become an important foundation for the operational safety of coastal outlets.

At the business level, the Bank focuses on five key directions: “Carbon Reduction Transition, Marine Industry, Green Transport, Ecological Environment, and Clean Energy”. It implements a sustainable approach of “valuing nature, investing in natural restoration, and mitigating natural risks” in asset pricing, business investments and risk management. The Bank has introduced policy documents such as the “Interim Measures for Environmental, Social, and Governance Risk Management in Credit Business”, systematically established a natural risk management system, continuously enhancing the Bank’s resilience and sustainability while supporting regional green transformation.

Nature-Related Strategy

The Bank has deeply integrated nature-related development concepts into its overall strategic framework. As the first city commercial bank in Shandong Province to sign the United Nations Principles for Responsible Banking, the Bank consistently adheres to leading international concepts. It has successively joined the “China-UK Biodiversity Finance Taskforce” and the “UNEP FI Nature and Biodiversity Working Group”, deeply embedding itself into the global collaborative network for nature and biodiversity finance development. Leveraging the cooperative platforms of these two working groups, the Bank continuously promotes the localization of biodiversity finance standards, actively participates in the innovation of biodiversity financial products, and strives to channel financial resources towards nature-positive areas such as environmental protection, ecological restoration, and green farming. While implementing global consensus on biodiversity conservation, the Bank empowers the synergistic enhancement of ecological and economic value through financial innovation, earnestly fulfilling the contemporary responsibility of financial institutions to safeguard the natural ecosystem and contribute to sustainable development.

Assessing Nature-related Dependencies and Impacts

The Bank has conducted a systematic analysis and assessment of nature-related dependencies, impacts, risks, and opportunities associated with its own operations and its investment and financing portfolio, in accordance with the TNFD LEAP methodology. This is to optimise the Bank’s nature-related risk management processes and identify development opportunities closely linked to nature.

The specific steps of the TNFD LEAP methodology are as follows:



The Bank’s own operations and investment and financing business are primarily located in Shandong Province and Tianjin Municipality. The conduct of these businesses not only depends on local natural ecosystem services but may also have potential impacts on them. First, the Bank selected the top five primary industries by loan balance in 2025⁶, including Leasing and Business Services (accounting for 24.19% of total loans), Wholesale and Retail Trade (11.53%), Construction (10.23%), Manufacturing (8.46%), and Water Conservancy, Environment and Public Facilities Management (6.71%).

⁶ According to the “Industrial Classification for National Economic Activities,” a primary industry refers to the sector-level industry classification, which is the highest level of industry division, using a single Latin letter code (e.g., A, B, C...).

Environment

Social Responsibility

Governance

Nature Conservation for a Shared Ecological Home (Continued)

Nature-Related Strategy (Continued)

Assessing Nature-related Dependencies and Impacts (Continued)

Concurrently, considering the high dependence on and impact on nature of certain primary industries, this Report additionally incorporates the agriculture, forestry, animal husbandry, and fishery industry (accounting for 2.02% of total loans) into the analysis scope. The combined loan balance of the aforementioned six industries accounts for 63.14% of the total loans. This report utilizes the ENCORE tool⁷ to systematically assess these secondary industries’ economic activities’ dependence on and impact on nature. The specific assessment results are as follows:

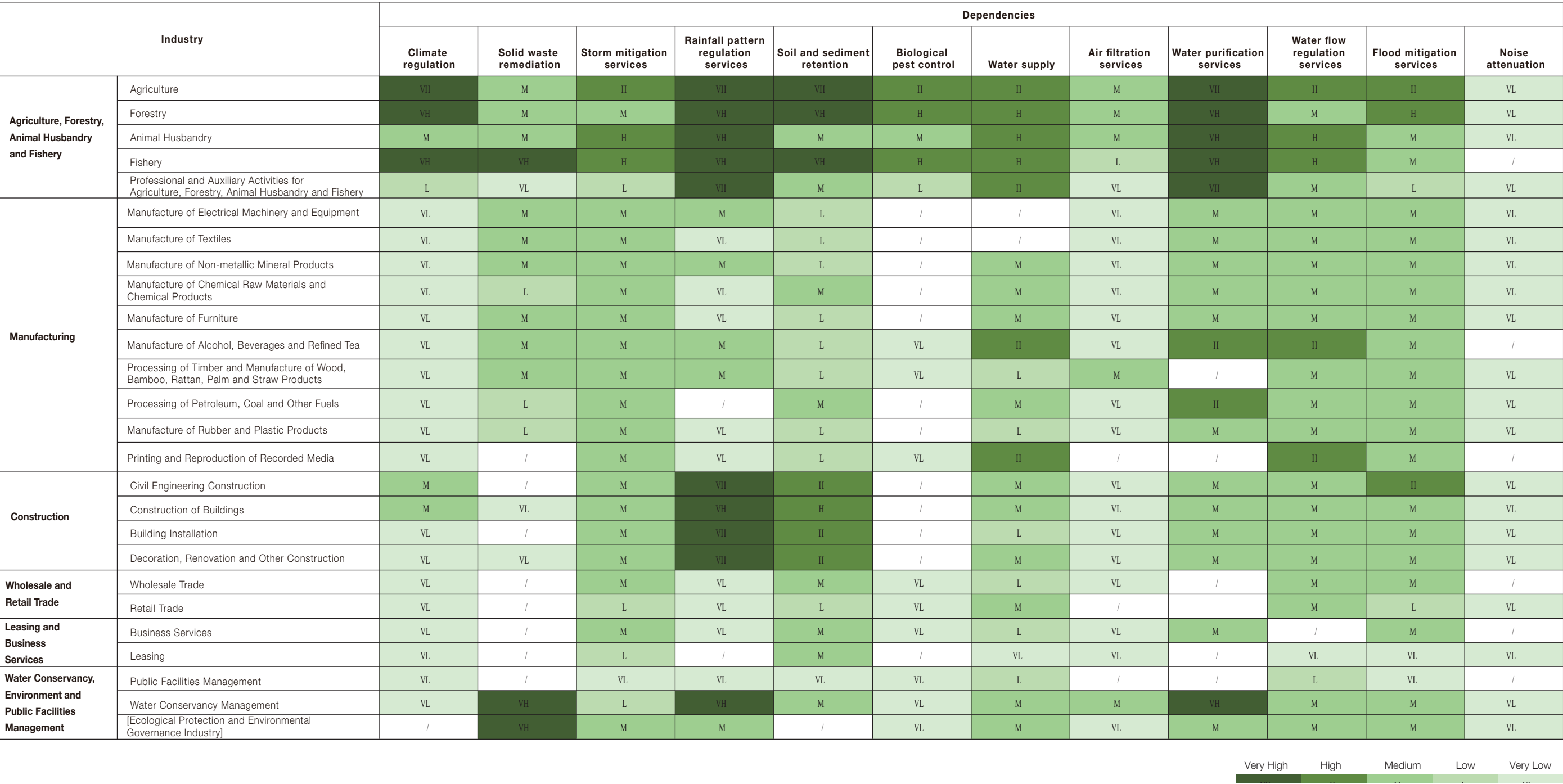
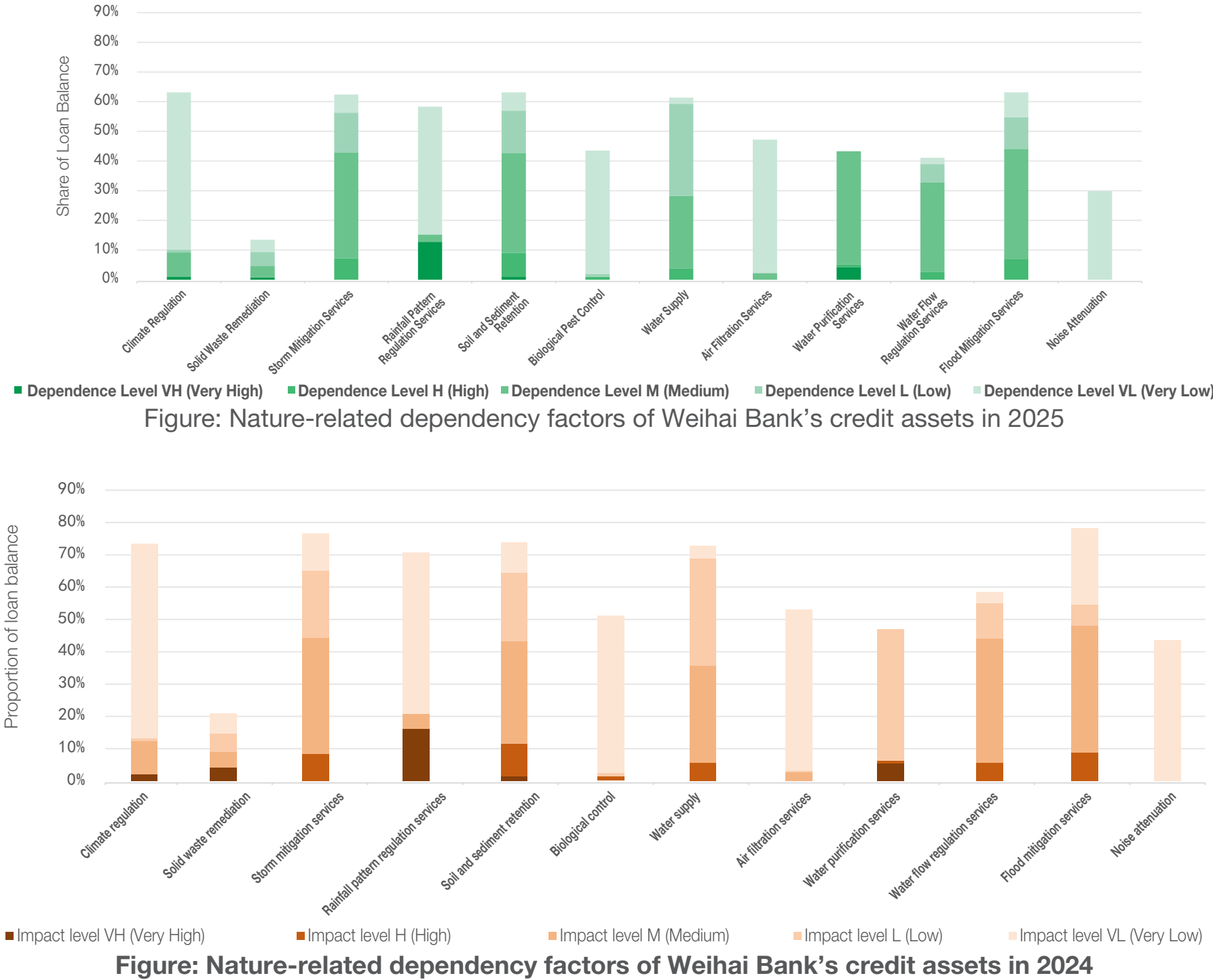


Figure: ENCORE Aalysis Chart (Dependence)



7 ENCORE was jointly developed by Global Canopy, the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and the International Union for Conservation of Nature (IUCN). It aims to assist financial institutions in assessing the dependence on and impact on nature of their financing portfolios.

Environment

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Nature Conservation for a Shared Ecological Home (Continued)

Nature-Related Strategy (Continued)

Assessing Nature-related Dependencies and Impacts (Continued)

Regarding the assessment of ecosystem service dependence among secondary industries, the industries with high nature-related dependence are forestry, agriculture, fisheries, animal husbandry, civil engineering and construction, and water conservancy management. The business activities of these industries are highly or very highly dependent on one or more ecosystem services, particularly manifesting as a high dependence on rainfall pattern regulation services and water purification services.

Industry		Impacts									
		Land use	Freshwater use	Water resource utilization	Greenhouse gas (GHG) emissions	Non-GHG air pollutant emissions	Toxic pollutant emissions to land and water	Nutrient pollutant emissions to land and water	Solid waste emissions	Invasive species introduction	Disturbance activities (noise, light)
Agriculture, Forestry, Animal Husbandry and Fishery	Agriculture	H	H	VH	M	H	H	H	VH	M	M
	Forestry	VH	M	M	M	VH	H	H	L	H	H
	Animal Husbandry	H	H	H	H	H	H	VH	VH	M	M
	Fishery	M	H	M	M	M	H	H	H	H	M
	Professional and Auxiliary Activities for Agriculture, Forestry, Animal Husbandry and Fishery	H	VL	VH	L	M	M	VH	L	L	M
Manufacturing	Manufacture of Electrical Machinery and Equipment	L	/	L	VL	L	H	/	L	/	M
	Manufacture of Textiles	L	/	M	L	L	M	/	M	/	M
	Manufacture of Non-metallic Mineral Products	L	M	M	H	H	VH	M	M	/	M
	Manufacture of Chemical Raw Materials and Chemical Products	L	M	/	M	M	VH	VH	M	/	VH
	Manufacture of Furniture	L	/	M	M	H	H	/	L	/	M
	Manufacture of Alcohol, Beverages and Refined Tea	L	/	M	L	L	M	H	M	/	M
	Processing of Timber and Manufacture of Wood, Bamboo, Rattan, Palm and Straw Products	M	/	M	M	M	M	/	M	/	H
	Processing of Petroleum, Coal and Other Fuels	L	L	/	H	H	VH	/	H	/	VH
	Manufacture of Rubber and Plastic Products	L	/	L	M	M	VH	/	M	/	M
Construction	Printing and Reproduction of Recorded Media	/	/	L	L	L	L	/	L	/	M
	Civil Engineering Construction	L	H	L	M	L	H	/	M	L	VH
	Construction of Buildings	L	M	L	H	L	H	/	M	L	VH
	Building Installation	L	L	/	M	L	M	/	M	L	M
Wholesale and Retail Trade	Decoration, Renovation and Other Construction	L	M	/	M	L	H	/	M	L	VH
	Wholesale Trade	L	M	/	M	M	VL	/	VL	/	VL
Leasing and Business Services	Retail Trade	L	M	/	M	L	L	/	VL	M	L
	Business Services	L	/	M	M	M	VL	/	VL	/	VL
Water Conservancy, Environment and Public Facilities Management	Leasing	L	/	L	VL	VL	L	/	VL	/	L
	Public Facilities Management	M	M	/	L	L	L	/	M	/	L
	Water Conservancy Management	H	H	L	M	M	M	/	L	/	M
Ecological Protection and Environmental Governance Industry		M	M	/	H	M	M	M	M	M	H

Very High

High

Medium

Low

Very Low

VH

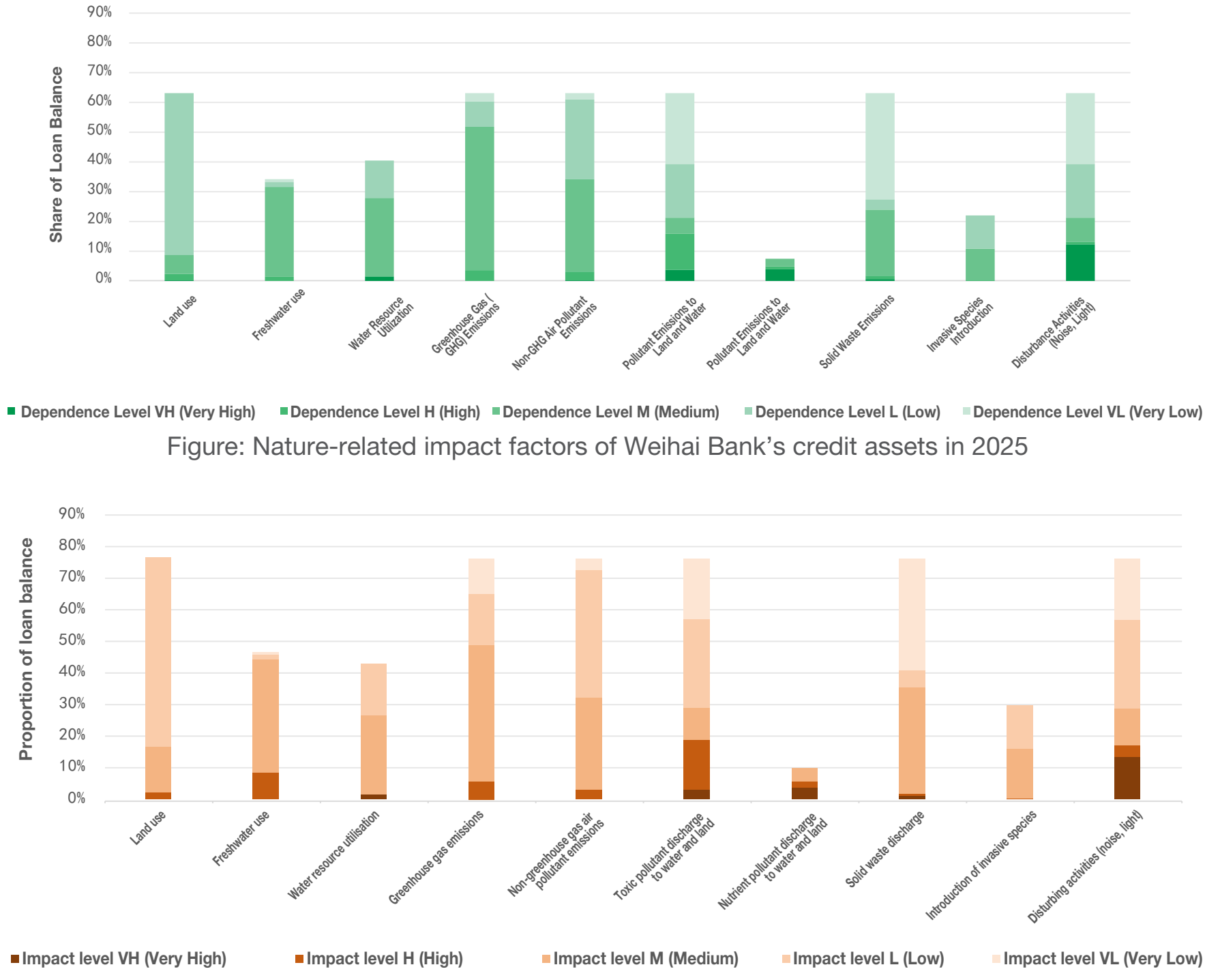
H

M

L

VL

Figure: ENCORE Analysis Chart (Impact)



Nature Conservation for a Shared Ecological Home (Continued)

Nature-Related Strategy (Continued)

Assessing Nature-related Dependencies and Impacts (Continued)

From the assessment results, the dependence of Weihai Bank’s investment and financing portfolio on nature dropped notably in 2025 compared with the previous year. At the industry level, the dependence of all secondary industries on ecosystem services decreased further. Industries with a high dependence level include agriculture, forestry, animal husbandry, fishery, civil engineering construction, and water conservancy management. In the Bank’s 2025 credit assets, 7.95% of credit assets are allocated to the above high-dependence industries, down 1.2 percentage points year on year. At the ecosystem service type level, the dependence of assessed secondary industries is mainly concentrated on rainfall pattern regulation services, with 12.80% of loan balance rated as “very high” or “high” in dependence, and soil and sediment retention services at 9.07%. The two ratios decreased by 2.8 percentage points and 2.03 percentage points respectively from the previous year. The impact of Weihai Bank’s investment and financing portfolio on nature in 2025 showed a significant downward trend compared with the previous year. From an industry perspective, forestry, agriculture, fisheries, animal husbandry, petroleum, coal and other fuel processing industries, and chemical raw materials and chemical products manufacturing are nature-related high-impact industries. In 2025, 3.57% of the Bank’s credit assets were allocated to the above-mentioned high-impact industries, representing a decrease of 0.44 percentage points year-on-year. From the perspective of specific impact types, toxic pollutant discharge into water and soil (with 15.86% of the loan balance classified as “very high” or “high” impact level) was the largest negative impact factor, followed by disturbance activity⁸ (with 13.23% of the loan balance classified as “very high” or “high” impact level), which decreased by 3.44 percentage points and 4.27 percentage points respectively compared with the impact level in 2024.

Overall, the level of Weihai Bank’s dependence on and impact on nature in 2025 decreased significantly compared with previous years, reflecting that after the first-year TNFD report disclosure, the Bank has adjusted its business structure in a targeted manner, allocated more credit resources to green, low-carbon and nature-friendly business areas, and achieved phased results in nature-related risk identification and management, further enhancing the environmental resilience and sustainable development capacity of its investment and financing portfolio.

⁸ Disturbance (e.g., noise, light) refers to noise or light pollution generated by human activities that have the potential to cause harm. It can typically be measured at the location of impact using a series of quantitative indicators, such as the decibel level and duration of noise, and the lumen value and duration of light exposure.

⁹ Due to methodological considerations and data availability, this report does not include the indirect impacts from customers’ upstream and downstream value chains in this assessment.

Identification of Dependencies on Nature

The Bank systematically assessed the dependencies of its business layout on the natural environment from two dimensions: its own operations and its investment and financing portfolio⁹. In terms of its own operations, as all of the Bank’s outlets were established within existing office buildings without altering the nature of land use, exhibiting the limited direct impact on land. Therefore, no further assessment will be conducted for its own operations.

In terms of the investment and financing portfolio, the Bank primarily focused on credit assets and conducts specialized assessments in key business regions such as Shandong and Tianjin: 1. for several high-impact industries related to nature, representative customers or projects were selected to analyze the ecological sensitivity of their operational locations; 2. for industries with high water dependency, key customers or projects were screened to assess the water stress in their respective regions based on water stress indicators, aiming to identify potential risks.

i. Ecological Sensitivity

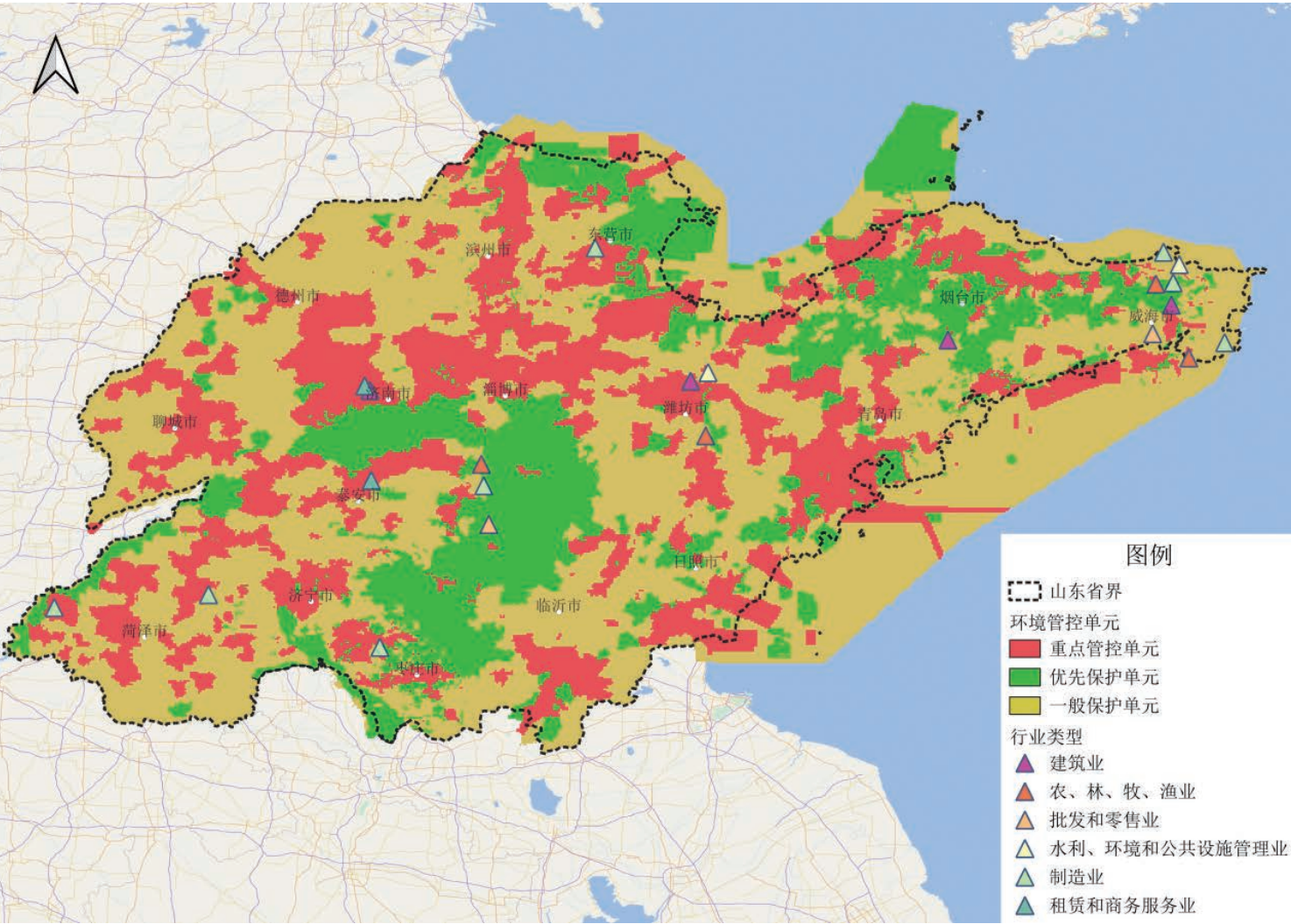


Figure: Ecological Sensitivity Assessment Results for Key Enterprises or Project Operation Locations in Shandong Province¹⁰

¹⁰ The data on the boundaries of national parks, nature reserves, natural parks, and ecological conservation redlines in Tianjin shown in this map are compiled from authoritative information publicly released by the National Forestry and Grassland Administration and other relevant government authorities.

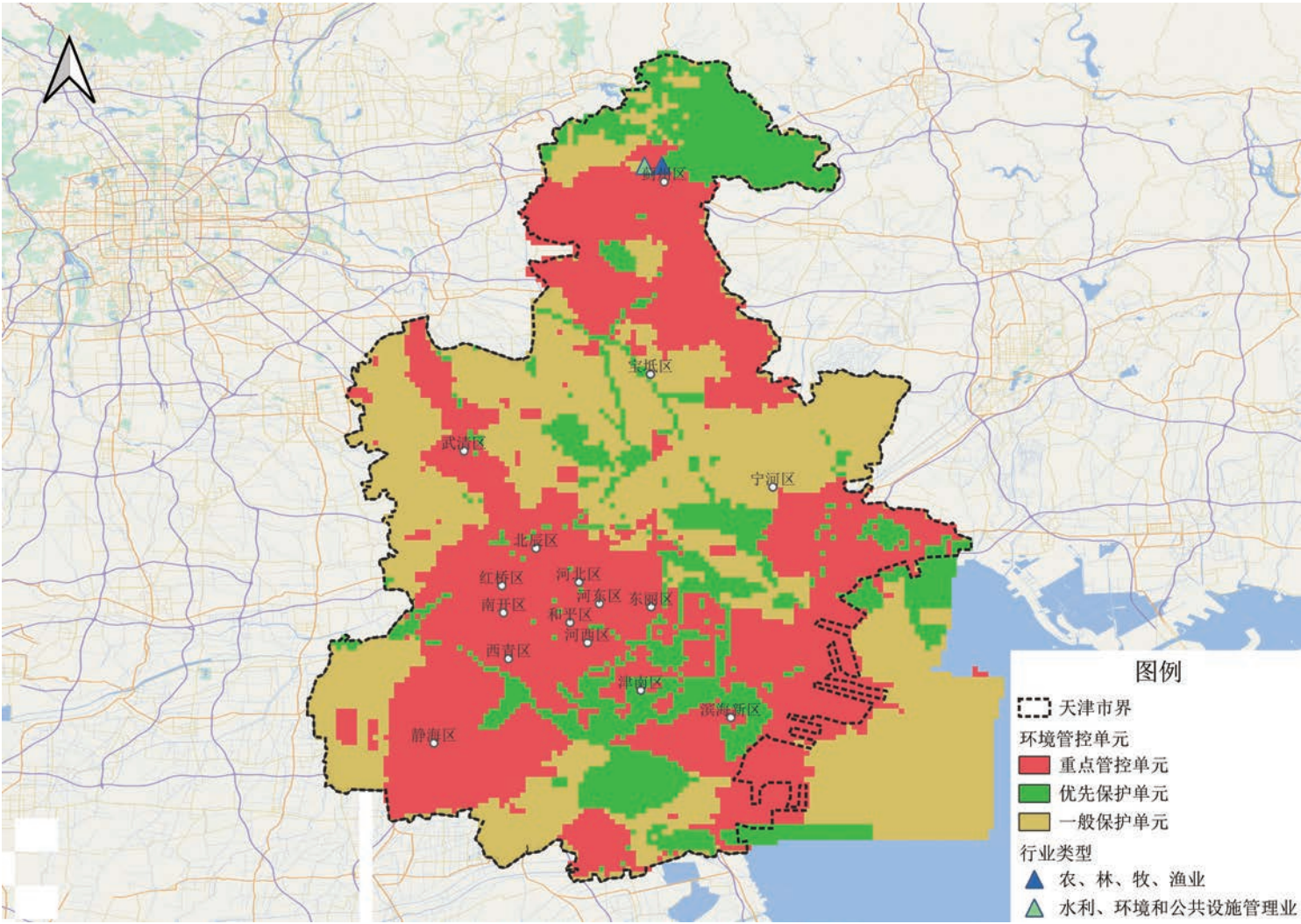


Figure: Ecological Sensitivity Assessment Results for Key Enterprises or Project Operation Locations in Tianjin¹¹

Within Shandong Province, two construction enterprises and one manufacturing enterprise are located in key controlled zones. Such zones do not impose a complete ban on development activities, but generally apply stricter requirements governing development and construction, pollution discharge, intensity of resource utilization, and ecological disturbance. During project construction and implementation, construction enterprises may exert certain impacts on land use patterns, soil and water conservation, habitat integrity, and the stability of surrounding ecosystems. Manufacturing enterprises may place pressure on the regional ecological carrying capacity due to energy and resource consumption, pollutant emissions, and externalities arising from production activities. For clients located in key controlled zones, the Bank shall focus on their compliance with project siting requirements, implementation of environmental access conditions, pollution prevention measures, and enforcement of ecological protection requirements, so as to guard against compliance risks, reputational risks and credit risks triggered by tightening environmental constraints, enhanced regulatory requirements or ecological impact incidents.

¹¹ The data on the boundaries of national parks, nature reserves, natural parks, and ecological conservation redlines in Shandong Province shown in this map are compiled from authoritative information publicly released by the National Forestry and Grassland Administration and other relevant government authorities.

Nature Conservation for a Shared Ecological Home (Continued)

Nature-Related Strategy (Continued)

Identification of Dependencies on Nature (Continued)

Meanwhile, in Shandong Province, one forestry enterprise and one manufacturing enterprise are located in priority protection zones. Priority protection zones typically provide important ecological functions and carry high value in biodiversity conservation, water conservation, and the maintenance of ecosystem services, thus imposing higher requirements for ecological compatibility of operational activities. Forestry enterprises are highly dependent on forest resources, land conditions, climatic environment and ecosystem stability, and their operations are closely linked with the natural environment. Inappropriate operation and management may cause disturbances to habitat quality, species living conditions and regional ecological functions. For manufacturing enterprises located in priority protection zones, the Bank will focus on whether their production activities adversely affect surrounding sensitive ecological spaces, biological habitats and the stability of ecological functions. In this regard, the Bank will continue to strengthen the identification of nature-related risks for key clients and actively adopt relevant risk mitigation measures.

In Tianjin, one agricultural enterprise is located in a key controlled zone. Agricultural production is highly dependent on land, water resources, climatic conditions and ecosystem services, and its operations are significantly affected by ecological space control, resource and environmental carrying capacity and regional ecological protection requirements. Meanwhile, agricultural production activities including irrigation water intake, farmland drainage, and the use of chemical fertilizers and pesticides may also exert certain impacts on soil quality, water environment and the stability of local ecosystems. For agricultural clients located in key controlled zones, the Bank will focus on their resource utilization methods, implementation of environmental management measures and relevant ecological and environmental compliance risks, and continuously enhance its ability to identify and dynamically manage risks in industries with high nature dependence and impact.

ii. Water Stress

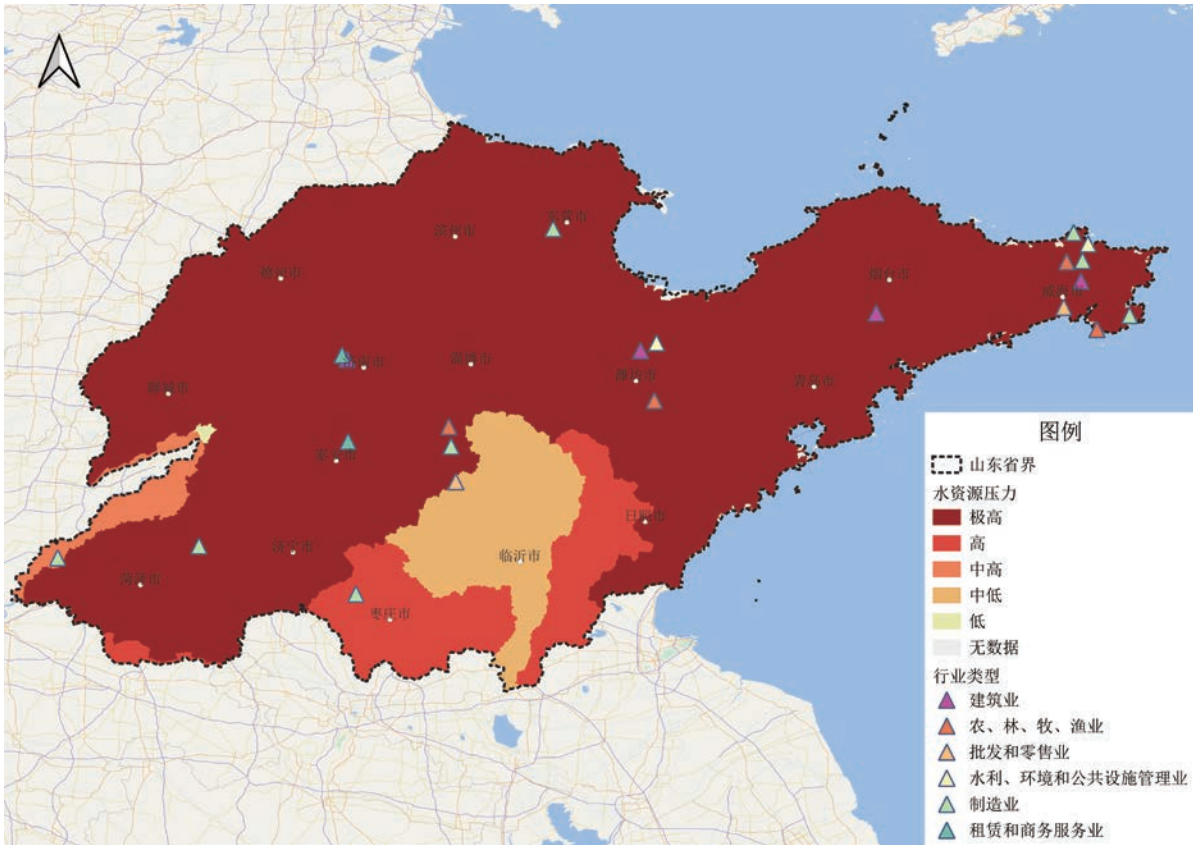


Figure: Water Stress Assessment Results for Key Enterprises or Project Operating Locations in Shandong Province¹²

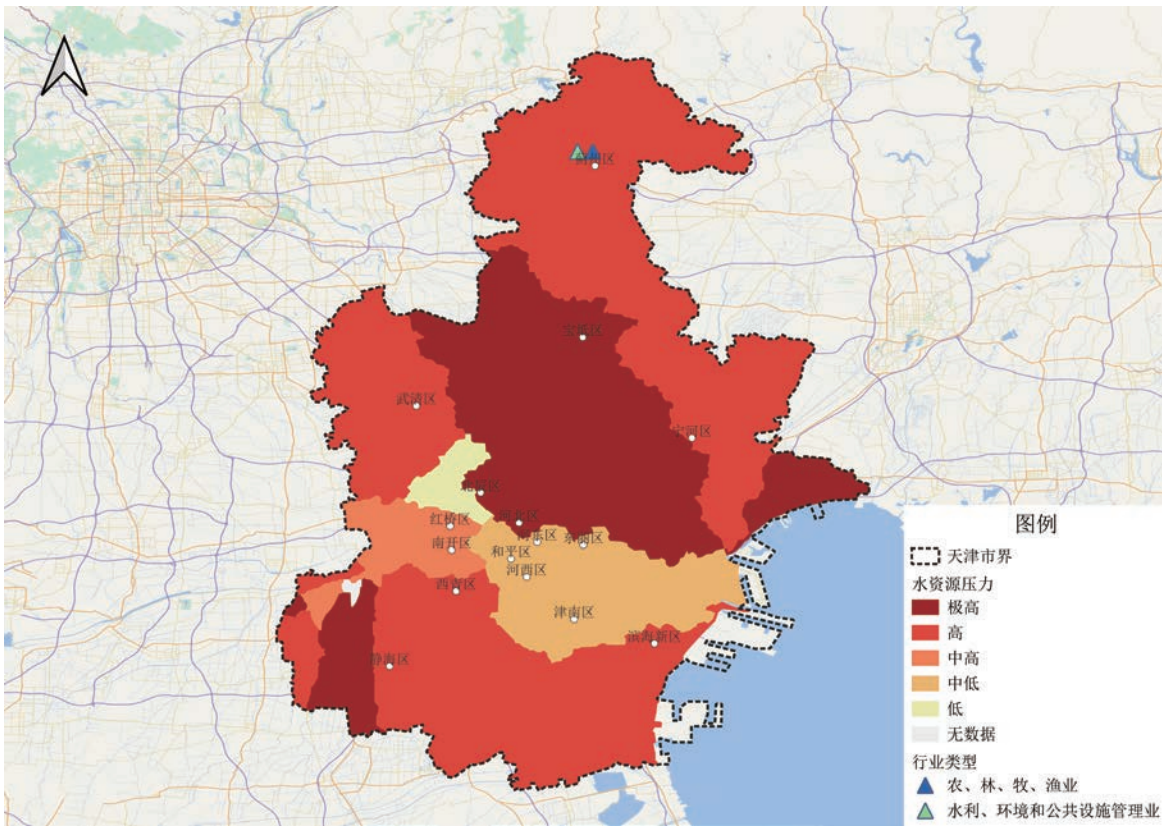


Figure: Water Stress Assessment Results for Key Enterprises or Project Operating Locations in Tianjin¹²

In Shandong Province, as high as 86.36% of the assessed enterprises are located in areas of extremely high water resource pressure. The sample sites cover a wide range of industries including construction, agriculture, forestry, animal husbandry and fishery, wholesale and retail trade, water conservancy, environment and public facilities management, manufacturing, and leasing and business services, indicating relatively concentrated risk exposure of the Bank’s relevant businesses in terms of water resource pressure. From the perspective of industry attributes, agriculture, forestry, animal husbandry and fishery are highly dependent on water resources and are vulnerable to factors such as regional water supply shortages, rising costs of irrigation and aquaculture water use, and increasing droughts. Manufacturing, construction and some public facility projects also have certain water demand during production, operation and construction, and may face constraints in high water pressure areas such as insufficient water supply security, increased investment in water-saving renovation, and stricter water intake and usage management requirements. Wholesale and retail trade, leasing and business services have relatively low direct dependence on water resources. However, if their business activities are highly dependent on the regional industrial chain and infrastructure conditions, they may still be affected by water resource constraints through upstream and downstream transmission. Overall, the sample clients in Shandong Province show relatively concentrated risk exposure in terms of water resource pressure, especially those located in coastal areas and parts of the central and western regions. The Bank will continue to monitor their compliance with water intake and usage requirements, implementation of water conservation measures, and adaptability of production and operation to the regional water resource carrying capacity, and strengthen differentiated credit management and dynamic risk monitoring for water-intensive industries.

In Tianjin, one agricultural enterprise and one enterprise in water conservancy, environment and public facilities management are located in areas of high water resource pressure. Agricultural production is highly dependent on land, water resources and climatic conditions. Tightening regional water supply may lead to rising irrigation security pressure, increased production costs and greater operational volatility. Although the water conservancy, environment and public facilities management sector is characterized by public services and ecological governance, attention shall also be paid to the regional water resource carrying capacity, project water supply security and relevant regulatory requirements during project construction and operation. Overall, the sample clients in Tianjin show certain exposure to water resource pressure, but the overall pressure level is lower than that in Shandong Province.

¹² The baseline water stress data for Shandong Province shown in this figure is sourced from the “Aqueduct Water Risk Atlas” water risk tool developed by the World Resources Institute (WRI).

¹³ The baseline water stress data for Tianjin shown in this figure is sourced from the “Aqueduct Water Risk Atlas” water risk tool developed by the World Resources Institute (WRI).

Nature Conservation for a Shared Ecological Home (Continued)

Management of Nature-related Risks and Opportunities

Identification of Nature-related Risks and Opportunities

Table: Nature-related Risks

Risk Category	Specific Classification	Impact Period ¹⁴	Description	Potentially Affected Financial Indicators and Impact Magnitude	Response Measures
Transition Risks	Policy and Regulatory Risks	Medium Term	Stricter environmental regulations require high water consumption, high pollution, and ecologically sensitive credit clients in the region (such as traditional aquaculture and port-related chemical industries) to increase their environmental protection investment. Failure to meet the standards will result in production stoppages or restrictions, triggering credit risks.	Operating Income (Low)	- Dynamic Management and Control of Industries with “High Pollution & Energy Consumption and Overcapacity”: Explore ways to continuously reduce credit support for high-pollution and high-environmental-risk industries, and set annual reduction targets. - Proactive Adaptation to Regulations and Standards: Closely monitor changes in domestic and international policies and standards related to green finance and environmental regulation, and strengthen forward-looking policy analysis. - Strengthening Transition Risk Management: Establish a monitoring mechanism for nature-related transition risks and assist clients in accessing green technologies and financial support.
	Technical Risks	Short Term	Some customer enterprises have relatively lagged behind in technological upgrades and transformation in areas such as clean production, toxic pollutant treatment, water-saving irrigation, and efficient resource utilization.	Research and Development Costs (Low) Variable Costs (Low)	Financing Linked to Sustainability Standards: Deeply integrate financing with sustainability standards, incorporating environmental certifications and the application of green production technologies into core credit access criteria, guiding traditional clients to accelerate their transition to low-carbon development models.
	Market Risks	Medium-term	The market demand for green, organic, and sustainable products continues to grow, further squeezing the market space for traditional products with high environmental impact. Consumers and supply chain stakeholders are increasingly focusing on the environmental impact of the value chain.	Operating Costs (Low) Stock Price (Low)	Low-Carbon Transition Specialized Loans: Explore providing preferential interest rate financing to clients in traditional manufacturing industries (such as textiles and chemicals), with conditions tied to technological upgrades (e.g., adoption of environmentally friendly building material production lines, organic food certification).
	Reputational Risks	Long-term	If investment and financing activities involve high environmental impact sectors, insufficient disclosure of environmental information, or inadequate management of green finance, they may easily attract attention from the public, regulators, and capital markets, damaging brand image and market trust, and consequently affecting business operations and valuation stability.	Operating Income (Low)	- Enhancing Full-Process Management of Green Credit: Strictly control credit extension in high environmental risk areas, continuously optimize the asset structure, and reduce nature-related reputational risks from the source. - Improving Environmental Information Disclosure Mechanism: Proactively respond to social concerns and enhance public and market recognition of the Bank’s green development practices.
	Liability Risks	Medium to Long Term	If the Bank’s financing activities indirectly lead to significant biodiversity loss or environmental pollution incidents, it may face multiple risks including regulatory penalties, legal proceedings, and economic claims.	Operating Income (Low)	- Establish a customer environmental and biodiversity risk review mechanism: Strictly restrict financing businesses involving ecological protection areas and sensitive habitats, controlling environmental and biodiversity risks at the source. - Improving Post-lending Environmental Risk Monitoring and Emergency Response Procedures: Timely identify and urge rectification of compliance issues to prevent regulatory penalties, legal litigation, and reputational damage.

14 The Bank defines the short term as one year, the medium term as one to five years, and the long term as more than five years.

Nature Conservation for a Shared Ecological Home (Continued)

Management of Nature-related Risks and Opportunities (Continued)

Identification of Nature-related Risks and Opportunities (Continued)

Table: Nature-related Risks (Continued)

Risk Category	Specific Classification	Impact Period ¹⁴	Description	Potentially Affected Financial Indicators and Impact Magnitude	Response Measures
Physical Risks	Acute Risks ¹⁴	Short Term	The production, operations, and collateral assets of some loan customers are susceptible to impacts from extreme weather events such as heavy rain, high temperatures, and snowstorms. This may result in damage to assets like breeding farms, factory buildings, and equipment, disruption of production and operations, and consequently, fluctuations in the value of collateral. For petrochemical enterprises located within the Shandong Yellow River Delta National Nature Reserve, the occurrence of environmental incidents such as oil spills would pose a severe threat to the regional ecological environment.	Fixed Asset Value (High) Variable Cost (High) Operating Income (Medium)	- Strengthening Climate and Environmental Risk Access Management: Implement risk access reviews for clients significantly affected by extreme weather in crop cultivation, livestock farming, and manufacturing, as well as for chemical enterprises located in ecological protection zones and coastal areas. Incorporate factors such as adaptability to extreme weather events (e.g., heavy rain, high temperatures, blizzards) and ecological environment sensitivity into credit assessments. - Enhancing Climate Resilience: Actively explore priority support for clients to upgrade facilities and conduct technical renovations for flood and waterlogging prevention, providing differentiated and targeted financing service solutions accordingly. - Strengthening Insurance-Loan Linkage: Deepen cooperation with insurance institutions to explore and develop credit products covering climate physical risks, establishing a risk-sharing model.
	Chronic Risks	Medium to Long Term	Due to long-term impacts such as sea-level rise, coastal erosion, seawater intrusion, and soil salinization, the value of collateral assets, production facilities, and operational stability of coastal credit clients face persistent erosion. The long-term accumulation of climate trends, including regional heatwaves, cold waves and snowstorms, and alternating droughts and floods, will gradually increase operational costs and asset depreciation for industries such as aquaculture, manufacturing, port logistics, and construction engineering. This exacerbates revenue volatility and cash flow pressures, thereby exerting a long-term cumulative impact on the asset quality of banks.	Operating Income (High) Operating Costs (High)	- Strengthening Risk Access: In credit evaluation, fully consider chronic physical risks such as sea-level rise and extreme weather events, enhance risk assessment for clients in coastal and ecologically sensitive areas, and reasonably set mortgage rates. - Differentiated Pricing: Explore and implement differentiated risk pricing for environmentally sensitive clients, such as those with high water consumption and high pollution levels, to guide enterprises to increase environmental protection investments and strengthen environmental risk constraints. - Providing Support for Sustainable Agriculture: Innovate financial products tailored to the development of sustainable agriculture, support eco-friendly farming and breeding models, and reduce the adverse impacts of agricultural production on soil, water bodies, and biodiversity.
Systemic Risks		Long-term	Ecological and environmental issues such as water scarcity, marine pollution, soil degradation, and biodiversity loss may lead to a significant decline in the functionality of key regional ecosystem services (e.g., water purification services VH/H, rainfall pattern regulation services VH/H, soil and sediment maintenance VH/H), triggering resource supply constraints, industrial decline (e.g., fisheries and agriculture in Shandong), and economic recession, thereby systematically impacting the bank’s asset portfolio.	Fixed Asset Value (High)	- Increasing Green Finance Allocation: Vigorously support areas such as water-saving technological upgrades, pollution control, ecological restoration, green farming, and sustainable fisheries to optimize the asset structure and reduce nature-related credit risks. - Long-term Goal Alignment: Explore and promote the transition of investment and financing portfolios toward “nature-positive” outcomes and set relevant long-term goals.

15 Based on statistics from the Shandong Provincial Department of Emergency Management, select the main types of physical risks affecting the Bank’s own operations and its clients.

Nature Conservation for a Shared Ecological Home (Continued)

Management of Nature-related Risks and Opportunities (Continued)

Identification of Nature-related Risks and Opportunities (Continued)

Table: Nature-related Opportunities

Opportunity Category	Specific Classification	Impact Period ¹⁶	Description	Potentially Affected Financial Indicators and Impact Magnitude	Response Measures
Nature-related Opportunities	Market Opportunities	Medium to Long Term	Seize development opportunities in the industrial chains of green buildings, clean energy, and sustainable marine economy, consolidating and enhancing the Bank’s advantages in financial services in related fields. In response to the impact of disasters such as typhoons and storm surges on infrastructure and economic operations in the northern coastal regions, accelerate the construction of an emergency response system, develop specialized services such as meteorological finance, and effectively enhance regional risk protection capabilities.	Operating Income (High)	- Deepening Government-Bank-Enterprise Cooperation: Strengthen coordination with local governments, environmental protection departments, and industry associations to jointly establish a diversified financing support mechanism, precisely empowering ecological protection projects. - Promoting Integration of Industry, Academia, and Research: Collaborate with research institutions to conduct research in cutting-edge areas such as biodiversity finance and marine blue carbon, leveraging scientific research achievements to empower business innovation and practical applications. - Innovative Climate Financial Services: Explore collaboration with insurance companies to develop post-disaster financial products such as emergency loans and resilience bonds based on risk-sharing mechanisms, providing rapid funding support for disaster emergency response and recovery reconstruction; explore targeted investments in infrastructure and projects within the climate adaptation sector to enhance overall regional resilience.
	Reputational Opportunities	Medium to Long Term	Deeply align with local green finance and biodiversity conservation development strategies, strictly implement relevant policy requirements, and comprehensively enhance the Bank’s social credibility and brand value.	Operating Income (High)	Own Operations Demonstration: Explore and advance carbon neutrality in branch operations, utilize renewable energy, and reduce the Bank’s ecological footprint.
	Resource Use Efficiency	Short-term	The operating region is abundant in marine resources, presenting significant financing needs and development opportunities in areas such as marine new energy (offshore wind power, photovoltaic), marine ecological protection and restoration, green marine ranching, high-end marine engineering equipment, and marine carbon sinks.	Operating Costs (High)	- Focus on Blue Finance: Explore vigorously developing blue finance and innovating blue financial products. - Providing Support for Ecological Industrialization: Explore financing mechanisms based on environmental rights such as carbon sinks and water use rights formed through ecological restoration projects.

16 The Bank defines the short term as one year, the medium term as one to five years, and the long term as more than five years.

Nature Conservation for a Shared Ecological Home (Continued)

Management of Nature-related Risks and Opportunities (Continued)

Improve the Mechanism for Identifying and Assessing Nature-related Risks

i. Focus on Physical Risks and Deepen the Assessment of Their Financial Impacts

The Bank explores the application of more advanced models and data tools to investigate potential losses to credit assets in specific sectors (such as aquaculture, apple cultivation, port logistics, and coastal tourism) under different disaster scenarios, providing a scientific basis for differentiated risk limit setting and precise capital allocation. Concurrently, the Bank will dynamically assess the degree of reliance of these key sectors on local ecosystem services.

ii. Expand the Scope of Transition Risk Identification

The Bank continuously monitors the evolution of domestic and international policies and regulations related to nature, particularly the latest requirements in areas such as biodiversity conservation, pollutant emissions, and water resource management, and assesses their impact on compliance costs and market competitiveness across different sectors. Simultaneously, the Bank pays attention to the innovation and application progress of green technologies, identifying potential substitution risks arising from technological advancements or project failure risks due to immature technologies.

iii. Strengthen Spatial Analysis and Ecological Sensitivity Assessment

The Bank utilizes existing tools such as Geographic Information Systems (GIS) to conduct overlay analysis on the operational locations of clients with high natural dependency and impact (e.g., agriculture, forestry, animal husbandry, and fisheries) within the credit portfolio and ecologically sensitive areas such as nature reserves, endangered species habitats, wetlands, and water sources. This enables precise identification and early warning of ecological risks associated with projects during pre-lending and in-lending stages.

Nature-Related Indicators and Targets

The Bank refers to the TNFD-recommended global core disclosure indicators for nature-related dependencies and impacts to establish scientifically sound and comparable dependency and impact indicators. The following data pertains to the full year of 2025.

Nature-Related Indicators

For the Bank’s nature-related indicators, please refer to the ESG Performance Table.

Nature-Related Targets

Indicator	Target
Climate Change Targets	Achieve a carbon peak in its own operations by 2030, striving to reach the peak by 2029
Water Usage Targets	Gradually reduce water consumption per unit revenue (cubic meters per million RMB) by 2030 compared to the 2025 baseline year
Green Office Goals	Promote the implementation of green office concepts and improve the statistical and management mechanisms for office paper usage
Waste Management Goals	Continuously enhance the statistical and management levels of waste classification rewards and penalties, and trace the discharge of non-hazardous waste
Sustainable Finance Goals	Steadily promote the orderly development of biodiversity-related financial activities, and gradually strengthen support for and track the effectiveness of biodiversity-friendly financial projects.

Key Nature-related Cases

Case: Launch of First “Blue Biodiversity + Sustainability-Linked” Loan in Shandong Province

The Bank has implemented the first “blue biodiversity + sustainability-linked” loan of RMB10 million in Shandong Province, specifically to support integrated coastal ecological governance and marine biodiversity protection. The project restores coastal ecological functions through measures such as seagrass bed restoration and desilting and dredging. Integrating the project’s characteristics, the Bank innovated a credit scheme by linking the loan interest rate to the construction progress and ecological restoration effectiveness, and superimposed an incentive mechanism for the pledge of seagrass bed carbon sink rights. Corresponding interest rate concessions are available upon the completion of the project on schedule and the implementation of the carbon sink pledge. This model achieves a dual linkage between project progress and ecological value, leveraging financial innovation to facilitate marine ecological protection and sustainable development.

Case: Tianjin’s First “Biodiversity + Sustainability-Linked” Loan Successfully Executed

The Bank has implemented the first “biodiversity + sustainability-linked” loan in Tianjin, amounting to RMB10 million, leveraging financial strength to promote the synergistic development of biodiversity conservation and industry. The loan-receiving enterprise adopts a crab-rice symbiotic ecological circulation model, which enhances agricultural efficiency while effectively maintaining the ecological balance of wetlands. The Bank has customized a special loan scheme for the enterprise, linking the loan interest rate to the effectiveness of ecological farming. The enterprise can enjoy interest rate concessions upon achieving the agreed production targets, guiding it to continuously optimize the ecological farming model and achieve a benign interaction between ecological protection and industrial development.



Social Responsibility

The Bank actively practices the concept of social responsibility, upholds the original aspiration and mission of serving the people through finance, earnestly fulfills its responsibilities as a financial institution, and contributes to the improvement of people's livelihoods and harmonious social development. In 2025, the Bank strengthened its top-level design for social responsibility, advancing its implementation across business layout, customer service, and its own development. It improved its social responsibility management and implementation mechanisms, continuously enhanced the people-centered nature of financial services, diligently addressed matters related to people's livelihoods, and comprehensively demonstrated the warmth of responsible finance. Through practical actions, the Bank serves society and people's livelihoods, working together to create a better life.

- Serving the Real Economy and Accelerating High-Quality Economic Development
- Digital and Intelligent Transformation: Activating Service Efficiency
- Protecting Consumers and Safeguarding Financial Security
- Information Security: Strictly Guarding the Data Defense Line
- People-Oriented, Supporting Employee Growth
- Brand Building: Conveying the Demonstration of Responsibility
- Commitment to Public Welfare, Fulfilling Social Responsibility



Serving the Real Economy and Accelerating High-Quality Economic Development

In 2025, adhering to the fundamental purpose of serving the real economy, the Bank focused on the “Five Key Areas” of technology finance, green finance, inclusive finance, pension finance and digital finance. With clear direction and prioritized focus, it concentrated resources to build differentiated competitive advantages and achieved remarkable results.

Using the “Five Key Areas” as a lever, the Bank has continuously enhanced the coverage, accessibility, and satisfaction of its financial services, collaboratively promoting the comprehensive improvement of environmental, social, and governance performance. Through concrete actions, the Bank serves Chinese modernization and supports the sustainable transformation of the economy and society.

Technology Finance

The Bank closely aligned with the national strategies of achieving self-reliance and strength in science and technology and developing new quality productive forces. Taking 2025 as the “Year of Significant Enhancement in Technology Finance” as a key driver, the Bank focused on precise efforts in products, models, services, and digitalization to build a full-cycle technology innovation financial service system. This aims to support technological innovation through finance and empower the high-quality development of regional technology innovation ecosystems.

Technology Finance Business System

2025 marks the final year of the Bank’s “Three-Year Action Plan for Technology Finance”. The Bank’s Technology Finance Management Committee designated 2025 as the “Year of Significant Enhancement in Technology Finance”, overseeing the entire process of strategic planning, target setting, decision-making, deployment, and supervision. The reporting year yielded substantial achievements across all initiatives.

The Bank focused on its core customer base of technology-based enterprises, closely addressing their development characteristics of being “asset-light, high-growth, and strongly iterative” and their financing needs throughout the entire lifecycle. Upholding the service philosophy of “growing together with enterprises” and aiming to build a distinctive technology finance service ecosystem, the Bank made multi-faceted efforts and achieved breakthroughs across multiple dimensions, realizing a value transformation from a “funding provider” to a “growth partner for enterprises”.

i. Innovating the Technology Innovation Product System to Match Full-Cycle Needs

The Bank has systematically developed the “Navigation” series product system under the Weike brand, constructing a full-cycle gradient service matrix of “Safeguarding (護航) – Starting Navigation (啟航) – Leading Navigator (領航) – Far Navigation (遠航)”, which precisely matches the differentiated financing needs of technology enterprises at various stages, including startup, growth, and maturity. This product system was recognized as a typical case of “Quality Finance • Empowering Science and Technology Innovation” in Shandong Province, establishing a benchmark for regional innovation in science and technology finance products.

Table: Weike “Navigation” Series Product System	
Safeguarding Series: Infusing Financial Vitality into Startups	For seed-stage and start-up technology enterprises, a risk-sharing mechanism has been established in conjunction with government financing guarantee institutions and insurance companies, to provide credit support for start-ups to resolve initial funding difficulties.
Starting Navigation Series: Accelerating the Commercialization of Scientific and Technological Achievements	For enterprises in transition from the start-up stage to the growth stage, core products such as “Weike Qihang Loan” (威科啟航貸) were launched. The innovation elements of enterprises are converted into a basis for credit granting, preferential interest rates are implemented, the financing costs of enterprises are reduced, and the implementation and transformation of scientific and technological achievements are facilitated.
Leading Navigator Series: Supporting Industrial Upgrading and Expansion	Targeting key technology-based enterprises in the growth and maturity stages, core products such as “Weike Linghang Loan” (威科領航貸) have been launched to provide financing support to facilitate industrial upgrading, with supporting supply chain finance to drive the coordinated development of the industrial chain.
Far Navigation Series: Providing Comprehensive Financial Services	To satisfy the diversified needs of technology enterprises, a comprehensive service solution of “financing + intelligence + technology” has been launched to provide combined financing through investment-loan linkage, and the “Far Navigation” series of products supports the diversified needs of technology enterprises to reduce corporate innovation costs.

ii. Developing a Dedicated Risk Control Model to Address Credit Challenges in Technology Innovation

The Bank innovatively established a “technology flow” evaluation system and created a risk control model integrating the “policy chain, innovation chain, and capital chain”. This effectively addresses the credit challenges faced by technology enterprises and comprehensively enhances the Bank’s ability to match and manage risks in technology innovation finance.

iii. Enhancing the Integrated Service Model to Empower Corporate Growth and Development

The Bank focuses on the diverse needs of enterprises, providing one-stop integrated services encompassing “financing, intellectual support, and technological enablement”. It has established a foundational database for technology finance policies, conducts specialized policy and industry research, and explores service models that are both implementable and replicable. Deepening collaboration with VC/PE institutions, the Bank innovated the “investment-loan linkage” service solution, driving the pioneering implementation of investment-loan linkage business. Leveraging the innovation consortium of the Harbin Institute of Technology Innovation and Entrepreneurship Park, it provides comprehensive financial support throughout the chain for technology innovation enterprises.

iv. Strengthening Digital and Intelligent Empowerment to Enhance the Quality and Efficiency of Technology Innovation Services

Driven by both digitalization and specialization, the Bank utilizes the Kerongxin platform and big data models to integrate multi-dimensional data for screening high-quality technology enterprises, establishing a precise marketing target database. This enables efficient, accurate customer acquisition and intelligent risk identification, comprehensively elevating the efficiency and professional standards of technology finance services.

Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Technology Finance Loan Status

As of the end of 2025, loan balance to technology-based enterprises of the Bank amounted to RMB17,211 million, representing an increase of RMB7,111 million compared with the end of the last year, representing a year-on-year growth of 70.41%. Among these, the loan balance to specialized, sophisticated, distinctive, and innovative SMEs was RMB8,516 million, an increase of RMB2,120 million from the end of the last year, representing an increase of 33.15% compared with the last year. The Bank served 2,110 technology enterprise customers.

Technology Finance Case Studies

Case: The First “Weike Linghang Loan” Facilitates Quality and Efficiency Enhancement for a Technology Innovation Enterprise

The Bank successfully launched its first “Weike Linghang Loan” (威科领航贷) across the entire bank, granting credit funds of RMB20 million to a technology-based enterprise that focuses on the research and development of biological agents and possesses multiple intellectual property rights, but faces financing difficulties due to its light-asset nature. As a core product of the “Hang” series, this product focuses on growth-stage and mature-stage technology and innovation enterprises, breaks through the limitations of collateral, uses intellectual property and research and development capabilities as the core evaluation basis and provides differentiated interest rate pricing. The Bank precisely matches products and efficiently disburses loans by providing interest rate discounts through the “professional team + green channel” and online-offline collaborative model, effectively alleviating the financing pressure of enterprises and promoting the quality improvement and upgrading of technology finance services.



Case: Breaking Barriers Through Investment-Loan Linkage to Precisely Empower Technology Innovation Enterprise Development

Relying on the “equity + debt” investment-loan linkage model, the Bank provided RMB10 million in credit support to a high-tech enterprise focusing on the research and development of AI intelligent hardware and AR glasses, breaking through traditional credit barriers through “investment leading the way and credit providing protection” to achieve synergy between government, banks and investors and the efficient connection of financial services. The enterprise belongs to a strategic emerging industry and possesses strong R&D capabilities. Leveraging the government-bank-investment synergy mechanism, the Bank proactively engaged with the enterprise and customized an exclusive scheme in conjunction with local policies. Breaking through traditional credit constraints, the Bank adopted equity investment value and technical prospects as the core of credit granting and applied preferential interest rates, effectively resolving the pain points of difficult enterprise valuation and high financing costs, enriching the technology finance service system and demonstrating the responsibility and commitment to supporting technological innovation.

Case: Issuance of Inaugural Sci-Tech Innovation Bond to Empower Long-term Development of the Science and Technology Innovation Industry

The Bank successfully issued its inaugural technology innovation bond, with a size of RMB1,000 million. This bond has a tenor of 5 years, with a AAA issuer rating and a AAAsi bond rating. The proceeds will be specifically allocated to support business in the technology innovation sector, garnering extensive market attention and active subscription from investors. The issuance received strong support from the Weihai Branch of the People’s Bank of China.



Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Inclusive Finance

The Bank closely aligns with the national strategy for inclusive financial development. Leveraging the “2025 – Year of Significant Enhancement for Inclusive Finance” as a key driver and relying on the “Inclusive Finance +5” model, the Bank aims to achieve substantial improvements, build a comprehensive ecosystem for inclusive financial services, deepen financial services in the real economy, and empower the high-quality development of regional inclusive ecosystems.

Inclusive Finance Business System

2025 marks the concluding year of the Bank’s “Three-Year Action Plan for Inclusive Finance”. The Bank’s Inclusive Finance Management Committee designated 2025 as the “Year of Significant Improvement in Inclusive Finance”, with all work during the Reporting Period achieving fruitful results.

The Bank’s inclusive finance efforts focus on key areas and customer segments such as individual businesses, small and micro-enterprises, technology innovation enterprises, and rural revitalization. Addressing the core characteristics of inclusive customers—“lack of collateral, weak guarantees, urgent financing needs, and small loan amounts”—the Bank centers on their full-scenario needs, including operational turnover, production expansion, and entrepreneurial income growth. Upholding the philosophy of precise empowerment and shared development, the Bank has driven progress and breakthroughs across multiple fronts. Through models such as “Inclusive + Digital Finance”, “Inclusive + Technology Finance”, “Inclusive + Green Finance”, “Inclusive + Scenario Finance”, and “Inclusive + Rural Revitalization”, the Bank has achieved a deep transformation from a “capital provider” to a “growth partner”.

i. *Innovating the Inclusive Product System to Meet Diverse Financing Needs*

The Bank closely aligns with regional economic characteristics and customer needs to drive the iteration and upgrade of inclusive credit products. The Bank optimized and promoted online credit-based products such as “Youqi Loan” to facilitate rapid financing for small and micro-enterprises. It deeply explored government procurement scenarios and launched scenario-based products such as Government Procurement Loan. Implementing entrepreneurship guarantee policies, the Bank strengthened cooperation with human resources and social security departments and guarantee institutions, focusing on supporting entrepreneurship among groups such as university graduates and veterans. These efforts have benefited nearly a hundred market entities, precisely matching the diverse, full-cycle funding needs of inclusive customer segments.

ii. *Upgrading the Inclusive Service Model and Building a Convenient Service Network*

The Bank has developed a comprehensive inclusive service model that is “convenient online and attentive offline”, strengthening the integration of “online platforms and offline grids”. The online lending platform has been iteratively upgraded to enable on-demand borrowing, repayment, and revolving use of loans. The “community-based + grid-based” service model for account managers has been deepened, providing on-site services in industrial parks, commercial districts, and rural areas. At the same time, the Bank has deepened cooperation with guarantee institutions, connecting with local management centers of agricultural guarantee companies to promote the integration of characteristic industrial clusters into agricultural guarantee risk-sharing mechanisms, thereby enhancing the guarantee and credit enhancement capabilities for “agriculture, rural areas, and farmers” and small and micro entities.

iii. *Focusing on the field of rural revitalization and strengthening the allocation of financial resources*

The Bank prioritizes the “agriculture, rural areas, and farmers” sector as a key service focus, increasing financial supply for rural revitalization. It implements a standalone policy for inclusive agricultural credit plans, decomposes inclusive agricultural targets to ensure compliance with regulatory assessment requirements; focuses on key projects for rural industrial revitalization, promotes specialized products, deepens the inclusive agricultural market, precisely channels financial resources to the “fields and farmlands”, and supports the upgrading of the agricultural industry.

iv. *Aggregating Policy and Financial Benefits, Expanding Inclusive Funding Channels*

The Bank proactively builds a bridge for the transmission of monetary policy to small and micro enterprises, broadening channels for low-cost funding. The Bank successfully issued RMB4 billion in special financial bonds for small and micro enterprise loans, converting the raised funds into long-term, stable inclusive credit resources. It actively applied for and utilized the People’s Bank of China’s relending facilities for supporting agriculture and small businesses, as well as relending funds from policy banks, to provide more favorable interest rate loans to small and micro enterprises, effectively transmitting the benefits of national policies to various inclusive market entities.

Inclusive Finance Loan Status

As of the end of 2025, the Bank’s inclusive loan balance amounted to RMB35,631 million, representing an increase of RMB3,860 million or 12.15% compared with the end of the last year. The Bank served 67,400 inclusive finance loan customers.

Inclusive Finance Case Study

Case: Inclusive Finance Agricultural Loan: Nourishing the Rural Land

Leveraging regional resource endowments, the Bank innovated a tripartite “fiscal + bank + guarantee” collaborative model for supporting agriculture. The Bank introduced the Agricultural Loan, proactively benefiting farmers through “interest subsidies, cost reduction, and credit enhancement”. A Weihai-based aquaculture company, with over 20 years of expertise in fish fry incubation and cultivation, planned to introduce new fish egg varieties and expand its incubation scale but faced challenges in working capital turnover. After gaining an in-depth understanding of the client’s actual operational status and funding needs, the Bank tailored a “Huinong Loan” product service plan and opened a green service channel, successfully disbursing RMB3 million in credit funds to the enterprise. Supported by the credit funds, the enterprise successfully completed the procurement of fish eggs and gradually released 2.5 million fish fries into the market.

Case: Inclusive Finance – Loan for Excellent Enterprises (優企貸): Safeguarding the Growth of Small and Micro Enterprises

The Bank relied on the Digital Inclusive Finance Comprehensive Service Platform to form a new credit service model of “channel application + intelligent approval + data-driven decision-making”, providing customers with a full range of online loan products covering credit, mortgage, pledge, and guarantee. As a fully online credit product, “Loan for Excellent Enterprises” primarily relies on the authentic tax information, transaction records, or supply chain procurement information of small and micro enterprises, creating an efficient and convenient new financing experience for customers. The product simplifies loan documentation and optimizes the application process. Customers can calculate their credit limit by scanning a QR code, with funds disbursed in as little as 8 hours. This effectively lowers the financing threshold and time costs for small and micro enterprises, alleviating the difficulties and delays they face in obtaining financing, and supports the high-quality development of inclusive finance.

Case: Successful Issuance of RMB4,000 Million Small and Micro Enterprise Financial Bonds

During the Reporting Period, the Bank successfully issued RMB4,000 million in small and micro enterprise financial bonds. The bonds carried a coupon rate of 1.85% with a three-year tenor and achieved a subscription multiple of 2.02 times, reflecting the market's strong recognition of the Bank's prudent operations and deep commitment to the local economy. The proceeds from this issuance will be fully utilized for granting loans to small and micro enterprises, injecting financial momentum into the real economy.

Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Special Feature: Agricultural Finance

To implement the decisions and arrangements for rural revitalization, the Bank has established a dedicated task force for the innovation and promotion of rural revitalization models, constructing a financial service organizational framework for rural revitalization led by the task force with division of labor and collaboration, coordinating the advancement of related business and product innovation across the Bank; simultaneously, with the task force as the core, it continuously improves the agricultural financial service guarantee mechanism, strengthens policy implementation and resource allocation through innovating agricultural financial business models, increasing product supply, optimizing service processes, strengthening policy implementation and resource prioritization, the Bank has increased the issuance of agriculture-related loans and enhanced the quality and efficiency of financial services for rural revitalization.

Agricultural Financial Loans

As of the end of 2025,

the Bank's balance of agriculture-related loans amounted to **30,019** million,

an increase of **5,157** million from the end of the last year,

representing an increase of **20.74%** with the end of the last year.

Agricultural Financial Business System

Building on its agricultural positioning, the Bank closely aligns with the service requirements of “agriculture, rural areas, and farmers”, and precisely addresses their financing needs across all scenarios by considering the characteristics of agricultural entities—such as lack of collateral, weak guarantees, urgent financing needs, and small loan amounts. It practices the concept of inclusive finance, extending services to the “fields and villages”

In terms of service models, the Bank innovates a three-dimensional service model of “grid-based + scenario-based + industry chain”. By partnering with Tailong Bank, it extends rural service touchpoints to townships and key villages, implementing refined operations by region and industry. Focusing on core agricultural enterprises, it conducts chain marketing, covering upstream and downstream farmers and enterprises across the entire industry chain through supply chain financing, achieving “core enterprise-driven + full-chain credit”. It establishes agile public-private linkage teams to provide integrated services such as “loans + deposits + settlement + wealth management” for new business entities like agricultural cooperatives.

In terms of product innovation, the Bank focuses on the needs of green “agriculture, rural areas, and farmers” and rural revitalization, launching differentiated credit products: the exclusive “Agricultural Inputs Loan” precisely addresses the financing needs of farmers and agricultural input dealers; the “Green Farming Loan” has been selected as a provincial-level green finance category and supports agricultural green transformation; the “Quick e-loan” has been extended to agricultural scenarios, offering a convenient borrowing experience with “1-second QR code scanning and 1-minute application approval”.

In terms of policy support, the Bank prioritizes rural revitalization as a key credit focus, increasing allocations to areas such as rural infrastructure and industrial upgrading. It actively applies for relending funds to support agriculture and small businesses, using low-cost funds to reduce financing costs for agricultural entities. Through performance evaluation incentives, preferential internal fund pricing, and recognition rewards, it motivates relationship managers to actively serve the agricultural sector.

In terms of loan processes, the Bank leverages digital transformation to streamline the entire process, enabling online application, approval, and signing of agricultural loans through electronic channels. It promotes the automation of agricultural product approvals and establishes credit evaluation models for rural customers to enhance efficiency. The Bank optimizes the accessibility of self-service devices for the elderly and provides remote verification services through video banking, implementing the principle of “letting data run more and farmers run less”.



Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Classic Cases in Agriculture-related Finance

During the Reporting Period, the Bank practiced the concepts of ESG inclusive finance and green development, closely followed the rural revitalization strategy and, based on the agricultural resource endowments of various regions, innovated credit products, optimized service processes and precisely met the financing needs of various types of agriculturerelated entities, empowering the upgrading of characteristic agriculture and driving the increase of farmers’ income with efficient financial services, thereby fulfilling the social responsibilities of a financial institution.

Empowering green carbon vegetables • financial support to enhance agriculture: Leveraging local agricultural advantages and focusing on the industrial upgrading of green carbon vegetables, Dezhou Branch customized a comprehensive credit facility of RMB180 million for the renovation of an enterprise’s old greenhouses. The first loan of RMB80 million has been drawn down to optimize planting support facilities, promote the green transformation of agriculture and drive stable income growth for surrounding farmers.

“Lending” to drive the rapeseed industry • activating the momentum for prosperity: Leveraging the advantages of the local rapeseed industry and targeting the funding needs of rapeseed oil trading enterprises for expanding sources of supply, Zibo Branch customized a preferential financing plan based on trade finance ABS credit, and disbursed RMB19.5 million in credit funds within one day, alleviating the pressure on corporate turnover and facilitating a virtuous cycle in the rapeseed industry chain.

“Warehouse receipt loan” breakthrough • inclusive finance warms garlic farmers: Heze Branch innovatively launched the “Electronic Warehouse Receipt Loan” product system to address collateral challenges faced by agriculture-related entities, granting a RMB3 million loan to a garlic-based sole proprietor on the same day to ease its operational difficulties. As of the end of 2025, the Bank’s cumulative disbursement of warehouse receipt loans amounted to RMB4.9 billion, benefiting more than 400 agriculture-related clients and delivering the warmth of inclusive finance.

The Bank’s branches and sub-branches have adapted to local conditions to precisely cover characteristic agriculture-related fields, resolving financing pain points through innovative credit services, empowering the quality improvement and upgrading of characteristic agriculture and driving income growth for farmers, thereby supporting rural revitalization with financial strength and demonstrating ESG responsibility.



Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Pension Finance

In line with the national strategy addressing population aging and leveraging the “Pension Finance Enhancement Year 2025” as a key initiative, the Bank focuses on both the elderly customer segment and the pension industry, striving to build a comprehensive “finance + pension” service ecosystem. This aims to safeguard the elderly population through financial services and empower the high-quality development of the pension industry.

Pension Financial Services System

2025 was the final year of the Bank’s “Three-Year Action Plan for Pension Finance”. The Bank’s Pension Finance Management Committee designated this year as the “Year of Deepening and Enhancing Pension Finance”. During the Reporting Period, significant achievements were made in all related endeavors.

The Bank focuses on the needs of elderly customers and entities in the pension industry, closely aligning with scenarios such as pension wealth management, service security, and industrial financing. Adhering to the original intent of respecting and protecting the elderly and providing precise empowerment, the Bank has established a comprehensive pension financial service system integrating four key components: “Pension Industry Finance”, “Pension Wealth Finance”, “Pension Service Finance”, and “Pension Financial Ecosystem”. This system continuously enhances the quality and efficiency of the Bank’s pension financial services.

i. Deepening Pension Industry Finance to Solidify Service Support

Focusing on the development of the pension industry and the establishment of benchmark branches, the Bank formulated an evaluation system for pension-standard branches comprising 9 major categories and 32 sub-categories. It established 50 branches with pension service features. Among these, one branch was recognized as a “Pension Finance Demonstration Branch” by the People’s Bank of China Shandong Provincial Branch, and 10 branches obtained national-level certification and were recognized as provincial-level “Elderly-Friendly Service Demonstration Branches”. Addressing the development needs of elderly care institutions and medical and health institutions, we innovated credit products such as real estate mortgages and equity pledges.

ii. We have meticulously cultivated elderly wealth finance to safeguard silver-haired assets.

We have built a matrix of elderly wealth products, precisely meeting the financial planning needs of elderly customers. We have established a full-chain service covering “pre-investment, during investment, and post-investment”, driving the transformation of elderly wealth management from “product sales” to “professional companionship”. Throughout the year, we conducted over a hundred promotional activities, closely monitored key moments such as product transitions and market fluctuations to strengthen reminders, and fortified the safety line for elderly funds.

iii. We have enhanced the quality of elderly care service finance, demonstrating warmth and suitability for the elderly.

Launched an upgraded “large-font version” of personal online banking and mobile banking to bridge the “digital divide” for elderly customers; opened green channels for elderly care services offline, equipped with convenient service facilities, and provided warm services such as consultation guidance and full-process assistance. During the Reporting Period, over 400,000 accounts were opened for individuals aged 60 and above, with nearly 500,000 instances of elderly-friendly services provided, safeguarding the financial needs of the elderly through convenient and humanized services.

iv. Innovating the elderly care financial ecosystem and expanding service boundaries

Established the “Elderly Care Market” online integrated service platform, constructing four major sections: elderly care finance, travel and cuisine, agricultural products, and health and wellness. This provides a one-stop service covering “clothing, food, housing, transportation, finance, and health” for the elderly group, forming a closed-loop ecosystem of “information aggregation + service implementation”. The platform covers 16 prefecture-level cities within the province and the Tianjin region, delivering information of nearly 4,500 merchants. While facilitating daily consumption for the elderly, it also supports the production and sales linkage of rural products, achieving mutual empowerment between elderly care services and rural revitalization.

Financial Accessibility and Convenience for the Elderly

In terms of hardware development, the Bank benchmarked against authoritative certification standards, established a nine-category, 32-item evaluation system for elderly-friendly standard outlets, and established 50 branches with elderly-friendly features. Among them, the Huancui Branch was recognized as a “Demonstration Branch for Elderly Financial Services” by the People’s Bank of China Shandong Branch, and 10 outlets passed the acceptance inspection by the National Fintech Certification Center and were recognized as “Elderly-Friendly Service Demonstration Outlets” by the Shandong Banking Association. The Bank continuously optimized the elderly-friendly configurations, service processes, and environmental signage of its outlets, making it more convenient and comfortable for elderly customers to conduct business.

In terms of enhancing service soft power, the Bank continuously improved its elderly-friendly service management system, took the lead in compiling the “Elderly-Friendly Service Manual (2025 Edition)”, launched the themed micro-course “Guarding the Most Beautiful Sunset – How to Provide Emergency Care for Silver-Haired Customers”, and continuously enriched its elderly-friendly service management tools to provide more comprehensive care and protection for elderly customers.

From renovating offline branches to optimizing online channels, and from upgrading hardware facilities to implementing warm-hearted services, the Bank has comprehensively implemented financial support policies for the elderly, providing them with considerate and high-quality financial services, and fully safeguarding the service needs of elderly customers.

Pension Financial Loans

As of the end of 2025, the Bank’s total financial assets of customers aged 55 and above amounted to RMB112,930 million, representing an increase of RMB18,293 million or 19.33% compared to the end of the last year. As of the end of 2025, all of the Bank’s business outlets have established “green channels” for elderly customers. Throughout the year, these channels facilitated the opening of 425.1 thousand accounts for individuals aged 60 and above, and provided a total of 469.4 thousand customers of specialized services, including consultation and guidance, appointment booking, and full-process assistance, thereby effectively strengthening the financial service support for elderly care.

Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Pension Finance Case Study

Case: Ten of the Bank’s Outlets Designated as “Model Outlets for Senior-Friendly Services”

To effectively enhance the financial service experience for the elderly population and comprehensively elevate the standard of senior-friendly services, the Bank actively participated in the initiative to establish senior-friendly service outlets. During the Reporting Period, the first batch of 10 branches participating in the certification successfully passed the on-site inspection by the Beijing National Financial Technology Certification Center and were all recognized as “Elderly-Friendly Service Demonstration Branches”.

The Beijing National Financial Technology Certification Center is a national-level third-party certification institution established with the approval of the People’s Bank of China, the State Administration for Market Regulation, and the Certification and Accreditation Administration of China. As the first national-level certification institution in the domestic financial industry, its certification standards are stringent and highly authoritative. For this certification, the Beijing National Financial Technology Certification Center conducted on-site inspections and reviews of the elderly-friendly services at the applying branches across five aspects: service environment, service functions, service management, emergency response, and social responsibility. All 10 branches of the Bank participating in the certification achieved outstanding results.



Case: The Bank Innovatively Launched the “Senior Care Bazaar” Integrated Service Platform

In response to the trend of population aging, to meet the diversified and personalized senior care service needs of the elderly population, and to seize the development opportunities in the silver economy, the Bank has innovatively established the “Senior Care Bazaar” integrated service platform, with pension finance as the core lever. By leveraging finance as a link to integrate various senior care resources, the platform provides the elderly population with one-stop services covering “clothing, food, housing, transportation, finance, and wellness”. It explores a new path of “finance assisting the elderly, services benefiting the people”, specifically encompassing four core modules:

Pension Finance: Carefully selected financial products suitable for the elderly from licensed institutions, covering services such as insurance planning and wealth management guidance. This is complemented by offerings like senior universities and anti-fraud courses, helping the elderly population achieve stable asset appreciation and strengthen their defenses against fraud.

Travel & Cuisine: Launched the “Leisurely Travel Series” of senior-friendly tour itineraries, integrating community canteens, senior restaurants, and time-honored local culinary resources to enrich the life experiences of the elderly population.

Agricultural Products: Directly connected with high-quality production regions, screening green-certified and traceable agricultural products. This not only ensures the healthy dietary needs of silver-haired customers but also contributes to rural revitalization and development.

Health Care: We have aggregated various medical resources, connected with public hospitals and community health service centers, and integrated resources for traditional Chinese medicine therapy and rehabilitation care, comprehensively safeguarding the physical and mental health of the elderly population.



Serving the Real Economy and Accelerating High-Quality Economic Development (Continued)

Digital Finance

In line with the strategic requirements for high-quality development, the Bank designated 2025 as the “Year of Enhancing the Quality and Efficiency of Digital Finance”. It deepened the integration of digital technology in three core areas: inclusive finance, retail finance, and industrial finance, building a “digital+” smart financial service system. By empowering services with technology, the Bank drives innovation and high-quality development in banking operations.

Digital Finance Business System

In 2025, Digital Finance Management Committee of the Bank designated the year as the “Year of Enhancing the Quality and Efficiency of Digital Finance”. The Bank continued to strengthen the foundation of its digital finance platforms and product development, while continuously increasing investment in technology research and development. In 2025, the Bank’s information technology R&D expenditure accounted for 3.03% of its total operating revenue, representing an increase of RMB125.3812 million or 71.54% compared to the end of the last year. Leveraging digitalization and intelligent technologies, the Bank promoted the inclusiveness, convenience, and security of financial services. By focusing on core business scenarios, it refined institutional mechanisms, deepened data applications, and innovated product services, achieving deep integration of digital technologies with financial services. This digital momentum drives the Bank’s high-quality development.

i. Improving the Digital and Intelligent Governance System to Strengthen the Foundation of Digital Transformation

The Bank conducted an assessment of its digital transformation to precisely clarify the direction of transformation. It formulated and issued the “Digital Transformation Project Management Measures”, established a project management leadership group and a PMO working group, and created a full-cycle management mechanism for digital transformation projects. Simultaneously, the Bank optimized its organizational structure and talent team to align with the development of digital finance, providing robust institutional and organizational support for enhancing the quality and efficiency of digital finance.

ii. Innovating Digital Product Matrix to Build Scenario-based Financial Services

Based on the innovative concepts of customization and specialization, the Bank has rooted in business and consumption scenarios, and successively launched new digital financial products such as Shared e-Loan, White-Collar Loan 2.0, Premium Loan, and Excellent Enterprise Loan, building a “technology + industry + finance” service system. At the same time, the Bank has iteratively optimized CBG scenario finance ecosystem, and developed digital platforms such as Hui e-Loan, E-commerce Loan, and the Green Finance Business Management System, providing customers with convenient, efficient, and secure financial experiences.

iii. Upgrading the Digital Supply Chain Platform to Empower Industrial Finance Development

The Bank has enhanced the quality and efficiency of supply chain finance through digital empowerment, compiling a list of core enterprises for targeted marketing, which has driven steady growth in supply chain business deployment. The Bank has continuously optimized the supply chain finance platform by adding features such as facial recognition, improving system utilization and customer satisfaction. We refined our digital product portfolio in the areas of industrial finance, supply chain finance, microfinance, and consumer finance, driving high-quality business growth through digital innovation.

iv. Deepening the application of public data to unlock the core value of data elements

The Bank continuously advanced data governance, innovated application scenarios, and strengthened security safeguards, promoting the deep integration of public data with business operations. We consolidated the data foundation, enhancing data governance and sharing in line with the “Five Major Articles”, utilizing 50 million pieces of public data throughout the year, including business registration, social security, and taxation data. We focused on core scenarios to drive the transformation of data elements, with our submitted work winning second prize in the financial services track of the Shandong “Data Elements X” competition. We strictly adhered to security bottom lines, implemented data classification, grading, and desensitization management, and established a secure application system for public data, achieving the principle of “data usability without visibility”.

Digital Finance Loan Performance

As of the end of 2025, the Bank’s balance of digital finance online loans amounted to RMB12,649 million. The balance of supply chain business amounted to RMB18,143 million, representing an increase of RMB9,402 million or 107.56% compared to the end of the last year.



Digital and Intelligent Transformation, Activating Service Efficiency

The Bank proactively adapted to the development trends of digital technology, continuously increased investment in technology, strengthened talent team building, enhanced data and technological innovation application capabilities, and solidly advanced the construction of “Digital Finance”. Through infrastructure upgrades and service scenario innovations, the Bank comprehensively activated the efficiency of digital services.

During the Reporting Period, the Bank achieved significant results in its digital transformation, with relevant exemplary cases receiving multiple industry accolades. It was awarded the “Outstanding Case Award for Scenario-Based Financial Innovation” in the Sixth Financial Institutions’ Digital and Intelligent Transformation Outstanding Cases by the Golden Technology Innovation Community, and received the Data Innovation Pioneer Demonstration Case Award from the Shandong Data Trading and Circulation Association. The effectiveness of its digitalization efforts gained authoritative recognition from the industry.

Digital Transformation Infrastructure Construction

In 2025, the Bank adopted the strategic approach of “data standardization, standard digitization, and digital intellectualization” to strengthen the foundation of technological support. It formulated the “Digital Transformation Project Management Measures”, established a project management leadership team and a Project Management Office (PMO) working group to regulate the entire project lifecycle.

Digital Operations

An integrated digital operations platform was established to enable bidirectional empowerment for internal management collaboration and external business expansion, enhance intelligent support for business personnel, and build an efficient digital operations model.

Digital Management

A digital management platform for head office-branch collaboration was developed around strategic planning to achieve visualization of operational data and precise decision-making. Efficiency was improved through online approvals and paperless operations, supporting low-carbon operations.

Digital Risk Management

Leveraging technologies such as big data, intelligent algorithms, and artificial intelligence, we have established a “digital risk defense line” and developed tools for post-loan management and model monitoring, forming a dual risk control system that combines “human control and machine control”.

Digital Talent Development

The Bank placed a strong emphasis on the reserve of digital talent. The number of research, development, and technical personnel in relevant departments such as the Financial Technology Department and the Digital Banking Department reached **130**, accounting for **3.3%** of the total workforce. The Bank conducted **41** specialized information technology training sessions, covering **1,128** participants, to enhance employees’ digital application capabilities.

Digital Empowerment of Financial Services

In 2025, the Bank deepened the integration of digitalization and financial services, driven by both “data and technology”, to explore big data application scenarios, accurately match customer needs, and create integrated online and offline financial service solutions.

Self-Service Banking

The Bank enhanced the offline service experience through digital upgrades, deploying a total of 487 full-range facilities such as ATMs and smart teller machines, achieving digital coverage for high-frequency needs such as balance inquiries and cash deposits and withdrawals. It upgraded 244 smart devices by introducing an elderly-friendly large-font interface and implementing a one-stop service model, simplifying operational processes digitally and reducing transaction times, making offline services more adaptable to diverse customer groups and more efficient and convenient.

Electronic Banking

The Bank restructured service processes with digital technology, building a full-scenario online service matrix to enable financial services to transcend time and space constraints.



The entire process, including account management, settlement and payment, and payroll processing, has been digitized through digital platforms, reducing customers’ offline travel costs. It served approximately 759.9 thousand customers



Leveraging intelligent upgrades in the new application version, it achieves personalized and digital service matching, complemented by digital safeguards such as real-time SMS notifications for transaction security. With a user base of approximately 4.0593 million, it makes mobile services more secure and tailored to user needs



Adopting a lightweight digital model to address high-frequency scenarios, it covers daily needs such as account inquiries and bill payments. Services can be conveniently accessed without downloading an app, with approximately 525.8 thousand subscribers, lowering the service threshold through digitalization



Utilizing digital technologies such as OCR recognition and facial verification, it enables remote identity verification and transaction processing. In 2025, it handled 107,964 transactions (a year-on-year increase of 59.9%), providing remote financing verification services to over 800 enterprises, embodying the principle of “letting data travel more and customers travel less”

Environment

Social Responsibility

Governance

Digital and Intelligent Transformation, Activating Service Efficiency (Continued)

Intelligent Service Ecosystem

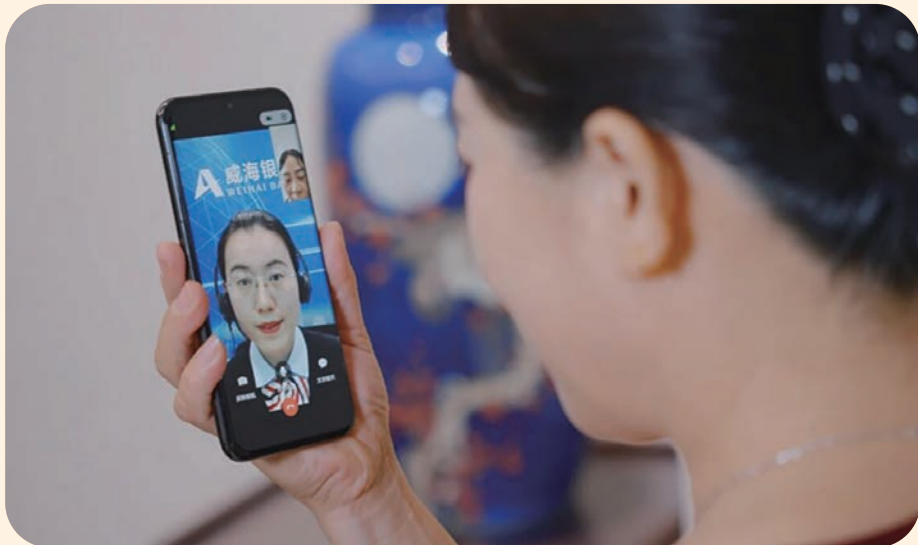
Optimized service response mechanisms with digital tools. The intelligent text-based robot “Xiaowei”, trained on 18,000 data points, achieved an ultra-fast response time of 1.5 seconds (with 95% accuracy). The intelligent outbound call system digitally covered 40 high-frequency scenarios, with a peak of 18,000 outbound calls in a single day. Intelligent navigation enables precise call routing, allowing for rapid response to customer needs, reducing waiting time in queues, and improving overall service efficiency.

Case: Intelligent Customer Service: Empowering Omni-Media Smart Services

The Bank established an omni-media intelligent customer service system integrating the intelligent text robot “Xiao Wei”, the intelligent outbound call system, and the intelligent voice navigation, establishing a digital service network covering all channels and operating around the clock. This system has enhanced both service efficiency and customer experience. The system is precisely adapted to various service scenarios: the intelligent text robot “Xiao Wei” covers multiple online channels and achieves rapid and accurate responses by relying on a rich Q&A corpus; the intelligent outbound call system covers multiple business scenarios to efficiently carry out risk reminders and business outreach; and the intelligent voice navigation provides differentiated services and accurately predicts customer needs. At the same time, exclusive service functions for elderly customers were launched, and measures such as automatic transfer to a human operator and the setting of elderly-friendly buttons were adopted to effectively bridge the “digital divide” for the elderly.

Case: Video Banking: Breaking Spatial-Temporal Barriers, Making Financial Services Accessible

The Bank has built a secure and efficient video banking system. Customers can connect with remote tellers via WeChat Mini Programs or mobile banking apps to enjoy convenient, “screen-to-screen” financial services without geographical limitations, achieving a comprehensive upgrade in remote service capabilities. Video banking enables the online completion of full-process services such as account opening and product purchases, effectively meeting their needs to conduct banking business without leaving home. For corporate clients, video banking is widely applied in scenarios such as remote verification of legal representative intent and online confirmation for supply chain financing, achieving dual improvements in approval efficiency and risk control levels. As of the end of the Reporting Period, the Bank’s video banking covered 21 types of services, cumulatively serving over 260,000 times. It completed more than 1,500 verification and confirmation procedures for over 800 corporate clients, facilitating financing exceeding RMB3,000 million.



Protecting Consumers and Safeguarding Financial Security

The Bank attaches great importance to the protection of consumer rights and interests, establishing and improving the consumer rights protection mechanism, strengthening management through multiple measures, and strictly implementing the primary responsibility for consumer rights protection.

Consumer Protection Team Development

The Bank has established a Consumer Rights Protection Center staffed with full-time personnel to ensure the independence, authority and professionalism of consumer rights protection work. The Bank carries out centralized training, on-the-job training and on-site coaching, and implements tiered and position-specific training on consumer rights protection. It organizes special training sessions on consumer protection services and stress relief to enhance frontline staff’s service capabilities, complaint resolution skills and emotional management competence. Online training programs such as “3 • 15 Financial Consumer Protection Risk Alerts” are conducted to strengthen the consumer protection awareness and professional competence of all employees. The Bank also arranges for consumer protection staff to participate in specialized training on consumer protection exchanges, reputation risk management and diversified dispute resolution, enabling them to keep abreast of the new landscape, latest developments and requirements in consumer rights protection.

Optimizing Complaint Management

The Bank practices the people-oriented and political nature of financial work. It strictly implements the primary responsibility system for consumer protection and the “Three Arrows” work requirements. Strengthening full-process complaint control: At the front end, expanding the scope of preemptive consumer protection reviews and enhancing review quality and efficiency; in the mid-process, focusing on key complaint areas, formulating resolution measures by level and category, strengthening coordinated handling, ensuring smooth operation of the dedicated consumer protection direct line and six major area service hotlines, and efficiently accepting customer demands through multiple channels; at the back end, compiling a list of recurring complaint issues, conducting root-cause analysis and governance, and practically resolving urgent and difficult problems faced by the public. The Bank strictly implements a full-chain accountability mechanism, refines assessment rules at all levels, promotes joint management from top to bottom, enhances the professional handling capability for complaints, and strives to achieve a dual reduction in both the total number of complaints and the number of cases subject to regulatory notification assessments.

Financial Knowledge Dissemination

The Bank strictly implements regulatory requirements by carrying out activities such as “3.15” Education and Publicity on the Protection of Financial Consumers’ Rights and Interests and the “Financial Knowledge Dissemination Journey”. A promotional leadership group was established to focus on key demographics and hot issues, leveraging various platforms to conduct “Five Entries” promotional activities. Over 40 risk reminder articles were published on the official website and WeChat official account to enhance consumers’ financial literacy. As of the end of the Reporting Period, a cumulative total of 6,929 employee participations were recorded, with 994 promotional activities conducted, reaching 600,000 person-times. Over 630 original promotional materials were produced. The Bank was honored with the titles of “Outstanding Creative Unit” by the Shandong Banking Association and “Outstanding Organizing Unit” by the Weihai Financial Regulatory Bureau.

Case: Combating Telecom Fraud: Police and Banks Join Forces to Protect the Public’s “Money Bags”

During the Reporting Period, the Bank continued to deepen the police-bank collaboration mechanism, strengthened precise crackdowns and emergency responses against telecommunications network fraud, and effectively leveraged the practical effectiveness of the anti-fraud emergency mechanism through various measures such as joint publicity and education and real-time fund interception, making every effort to safeguard the security of customers’ funds. During the period, several branches actively assisted public security organs in successfully intercepting fraud cases, recovering economic losses for the public, and received public commendations and full recognition from local anti-fraud departments and public security organs. As of the end of the Reporting Period, multiple cases of telecommunications and network fraud have been successfully intercepted through police-bank coordination, protecting the “money bags” of the public with practical actions.



Information Security, Strictly Guarding the Data Defense Line

The Bank strictly adheres to relevant laws, regulations, and regulatory requirements, continuously improving its management framework for information, network security, and privacy protection, and actively enhancing employees' awareness of information security.

Security Operation Protection Mechanism

Data Security: The Bank has established the “Procedures for Production Data Management and Control”, which define data, outline strategies for data backup and recovery, and specify security measures and detailed requirements for the extraction, use, and destruction of production data. When using production data in batches in non-production environments, the Bank has implemented automated desensitization measures.

Privacy Protection: The Bank has formulated the “Administrative Measures for Customer Information Protection”, to standardize the processes for using customer information and mitigate the risks of illegal use and dissemination of such information.

Cybersecurity: The Bank has formulated management systems such as the “Administrative Measures for Information Security” to clarify requirements for the protection of personal information and data security, and to standardize control measures such as data encryption, least privilege and anonymization during the collection and use of customer information; ensured the continuous, stable and reliable operation of information systems, safeguarded the confidentiality of information content, and prevented various risks such as security incidents, human sabotage, data loss or leakage, dissemination of harmful information and interruption of external services.

Emergency Support: The Bank has formulated management systems including the Information System Emergency Plan Management Procedures and the Data Security Incident Emergency Response Plan, and regularly carried out emergency response drills to ensure that response measures can be taken in a timely manner in the event of information system emergencies or data security incidents, so as to mitigate security risks, guarantee business continuity, and protect the security of important production data, funds and customer information.

Data Governance Enhancement

In terms of data governance, the Bank successfully obtained the Steady Level (Level 3) certification under the National Standard Data Management Capability Maturity Assessment Model (DCMM), signifying that the Bank's data management capabilities meet national requirements. The Bank established a framework with the “Data Governance Management Measures” as its charter, encompassing 14 management measures and work instructions covering areas such as metadata, data standards, data quality, data security, and self-assessment. This framework guides the Bank in conducting data governance work compliantly and efficiently. The Bank established a data asset management platform to achieve online, digital and intelligent data governance and control, and was awarded the “Best Practice Award in Data Governance” by DAMA China.

Data Management, Measurement and Verification

The Bank attached great importance to data quality, standardized loan identification criteria at the institutional level, and established sound credit business standards and identification processes. In terms of green loans, the Green Finance Department was responsible for updating green business data and regulatory data, as well as synchronizing the latest regulatory catalogs; in terms of data measurement and verification, the Bank strictly followed the requirements of regulatory and government departments by embedding identification models into the credit management system to achieve full-process labeling and classification management of green credit and environmental benefit measurement. Meanwhile, the Green Finance Department provided professional technical support, carried out data sorting and verification, provided transaction-by-transaction guidance on business operations, conducted regular data inspections and verifications, and continuously promoted green finance data governance and strengthened training on green identification standards for all staff to continuously improve the quality of green finance data.

Information Security Training

The Bank actively carried out cybersecurity awareness enhancement training, effectively implemented cybersecurity protection across the entire Bank, and strengthened the cybersecurity awareness of all staff through centralized training and secondary training at sub-branches. During the Reporting Period, the Bank organized 232 sessions of information security awareness enhancement training, covering 15,000 employee participations.

The Bank regularly conducts cybersecurity awareness training, covering areas such as confidentiality management, cyber attack, software legalization, and physical security, to comprehensively enhance employees' cybersecurity awareness.



People-Oriented, Supporting Employee Growth

The Bank consistently adheres to the “people-oriented” development philosophy. Grounded in the fulfillment of social responsibilities, it is committed to creating an inclusive, diverse, safe, and enjoyable workplace environment for employees. The Bank has established a comprehensive system for safeguarding employee rights, fostering growth and development, implementing incentive and assessment mechanisms, and promoting democratic participation. This approach balances the protection of employees’ legitimate rights and interests with the Bank’s high-quality development, enabling employees and the Bank to grow and progress together.

Implementation of Talent Strategy

The Bank actively implements the “Talent-Driven Bank” strategy, upholds the concept of “talent management across the entire bank whole-bank talent management”, and adheres to the principle of “learning from internal benchmarks and external best practices”. Through multiple measures, the Bank continuously improves its talent cultivation, selection, utilization, and retention systems, thereby laying a solid talent foundation for the Bank’s high-quality development.

Strengthening the Talent Base

The Bank has deeply implemented the “Talent-Driven Bank” strategy, upholding the core philosophy of “whole-bank talent management”. Adhering to the principle of “learning from internal benchmarks and external best practices”, the Bank has improved its talent development framework to support long-term growth. The Bank has diligently advanced employee career planning, continuously refined competitive selection mechanisms, and streamlined promotion pathways to cultivate and identify diverse talents, thereby enhancing the Bank’s internal development momentum. It actively fosters a culture that values and utilizes talent, thoroughly implements the “exceptional talent promotion system”, and embraces a broad-minded approach to attract and retain talent with genuine care and appreciation. The Bank boldly selects and deploys outstanding individuals, striving to build a professional, expert, and innovative talent pool that drives high-quality development across the entire organization.

Expanding Talent Recruitment Channels

Adhering to the principles of “openness, competition, and merit-based selection”, the Bank maintains an open-minded approach to expand talent recruitment and continuously broadens channels for talent acquisition, widely attracting diverse and outstanding professionals. We intensified efforts to attract and cultivate high-caliber talents, precisely aligning with the Bank’s development needs, providing them with broad development opportunities. We emphasized diversity and professionalism in talent acquisition, focusing on addressing talent gaps, gathering high-quality talents from various fields, unleashing the synergistic effects of talent aggregation, injecting fresh vitality into the Bank’s development, and solidifying the human resources foundation.

Enhancing Talent Cultivation Efforts

The Bank focuses on talent development and cultivation within the organization, adhering to the principle of “learning from internal benchmarks and external best practices”, and building a comprehensive talent growth platform to foster internal talent echelons. By improving promotion pathways and optimizing competitive selection mechanisms, the Bank fully stimulates the vitality of internal talent, cultivating and uncovering outstanding individuals within the organization. It clarifies the direction of talent cultivation, concentrating on the development of professional, expert, and innovative talent teams, guiding employees to benchmark against excellence and address shortcomings. Through measures such as performance evaluations, model innovation project selections, and other initiatives, the Bank continuously enhances employees’ professional capabilities and innovative skills, achieving mutual growth and development for both employees and the Bank.

To further enhance the institutional framework and strengthen compliance management, the Bank systematically reviewed and revised the “Training Management Measures”, the “Training Center Management Measures”, and the “Internal Trainer Management Measures” in 2025. By refining responsibilities and optimizing management processes, the Bank focused on establishing a standardized training management system that is comprehensive and operates effectively.

Enhancing Talent Retention Policies

The Bank improved the end-to-end support mechanism for talent attraction, cultivation, retention, and utilization, strengthening talent support across multiple dimensions to effectively enhance talent appeal and retention rates. First, the Bank refined the incentive mechanism for high-end talent and optimized their development environment, providing solid support for talent growth. Second, it increased support for total payroll and implemented a “case-by-case” negotiated salary system, collectively enhancing the Bank’s talent competitiveness. Third, the Bank strengthened talent benefits safeguards and improved the related welfare system, earnestly protecting the legitimate rights and interests of talent. Fourth, through performance evaluations and recognition programs, the Bank fostered an innovative atmosphere and encouraged excellence across the organization, further enhancing talent’s sense of belonging and identity, with a focus on retaining outstanding key personnel.

Case: Bank-University Collaboration in Talent Cultivation: The Bank signed a bank-university cooperation agreement with Shandong University

To deepen the strategy of strengthening the Bank through talent and enhance the momentum for innovative development, the Bank held a signing ceremony for bank-university cooperation with Shandong University to carry out in-depth cooperation in areas such as joint Party building, talent recruitment, and education and training. Shandong University possesses high-quality talent and scientific research resources, while the Bank has a comprehensive talent cultivation system and platforms such as a post-doctoral scientific research workstation and a specialized training center. The two parties shall promote the integration of industry and academia and mutual empowerment through complementary advantages and resource sharing. During the event, three management personnel of the Bank were appointed as employment and entrepreneurship mentors of Shandong University, and both parties jointly unveiled the student practice base.



People-Oriented, Supporting Employee Growth (Continued)

Special Feature: Building a High-Quality Talent Team Through an Innovative Training System

1. Tiered Training: Accurately Matching Growth Needs

Adhering to the principles of combining “theory and practice” and “specialization and comprehensiveness”, the Bank benchmarks against industry best practices and tailors training programs for employees across different positions and levels. Focusing on the entire career lifecycle of employees, it creates a new paradigm of targeted empowerment.

“Dream Chaser Voyage” Series	“Initial Growth” Series
Target Audience: Campus Recruitment New Hires	Target Audience: Outstanding young backbone employees.
Training Objectives: Focus on the four major goals of role transition, cultural integration, skill enhancement, and team integration, to rapidly improve new employees’ job adaptability and comprehensive quality, and lay a solid foundation for talent reserves.	Training Objectives: With the three-stage progressive cultivation of “Upholding Integrity – Innovation – Excellence” as the main line, deeply stimulate the potential of young employees and build a cradle for the growth of young backbone talents.
Training Format: Centralized training, mentor coaching, job rotation practice, etc.	Training Format: Diverse teaching methods such as knowledge explanation, case analysis, industry research, and sandbox simulation.
“Loyalty and Responsibility” Series	“Menu-based Training” Series
Target Audience: Middle and Senior Management	Target Audience: Frontline employees
Training Objectives: Enhance strategic vision, decision-making capabilities, and change leadership, forge a core management team proficient in decision-making, strong in execution, and courageous in responsibility, injecting core momentum for market-oriented transformation	Training Objective: Establish a closed-loop training management mechanism to comprehensively enhance the professional service capabilities of frontline employees, laying a solid foundation for refined customer service
Training Format: Study tours at renowned universities, visits to benchmark enterprises, etc.	Training Format: “Menu-style” on-site training, featuring customized courses jointly developed by business experts from the head office and branches, covering business interpretation, product analysis, service strategies, and scenario-based drills

2. Innovative Integration: Data-Intelligence-Driven Growth Engine

The Bank deeply integrated online and offline resources and built an immersive learning ecosystem through digital means to stimulate the momentum of talent growth. Leveraging the “Zhiniao” online platform to build a closed-loop learning management system integrating learning, practice, examination and evaluation; enriching training carriers, broadening learning channels and enhancing learning interactivity for all employees by publishing training updates, sharing learning insights and establishing the “Knowledge Encyclopedia” column; and launching online live lecture halls focusing on industry trends, regulatory policies and core businesses, where internal experts conduct policy interpretations and experience sharing to promote the simultaneous enhancement of strategic awareness and professional capabilities of all employees.

3. “Four Repositories” as the Foundation: Building a Long-term Empowerment Ecosystem

Supported by its pools of trainers, cases, courses and examination questions, the Bank has constructed an integrated training resource system to provide a solid guarantee for talent cultivation. The Bank established a full-cycle management mechanism for internal trainers, certifying over 120 internal trainers to solidify internal knowledge succession; built a three-dimensional training resource matrix, developing over 1,500 courses across all business lines to form a systematic curriculum; collaborated with business departments to create a case library, accumulating over 140 practical cases to promote the sharing of excellent experience; built and dynamically updated a test question bank to provide support for employee qualification certification, with an examination pass rate of nearly 90% during the year, delivering over a thousand professional talents to various business lines.

4 Results Showcase: Honors Witness Excellence

Our outstanding talent development practices have gained widespread recognition within the industry. In recent years, the Bank has been honored with multiple awards including the Outstanding Talent Development Enterprise Award, the Brand Learning Program Award, the Silver Award in the Shandong High-speed Group’s First Learning Program Competition, and the Gold Award in the “Alliance Cup” Training Program Design Competition, continuously enhancing its brand influence.



People-Oriented, Supporting Employee Growth (Continued)

Employee Rights Protection

The Bank strictly complies with relevant laws and regulations such as the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China. It has established specialized management systems to clearly regulate employee compensation and benefits, dismissal and recruitment, promotion and development, diversity initiatives, anti-discrimination, and other aspects, thereby fostering harmonious and stable labor relations and effectively safeguarding the legitimate rights and interests of employees. In 2025, the Bank continued to strengthen the standardized management of labor contracts, improving relevant provisions concerning the termination and dissolution of labor contracts. The signing of labor contracts adheres to the principles of equal consultation and mutual respect, achieving a 100% labor contract signing rate and fully implementing compliance requirements for labor employment.

Optimizing the Assessment Mechanism

In strict compliance with regulatory provisions, laws and regulations, and corporate governance requirements, the Bank has formulated specialized compensation and assessment management systems, establishing the fundamental principles of “position-based pay, competency-based compensation, performance-based remuneration, and market reference”. It continuously refines the compensation and performance evaluation framework. The compensation structure primarily comprises basic salary, performance-based pay, and medium-to long-term performance incentives. Performance-based pay and medium-to long-term performance incentives are variable compensation, which is allocated based on current and long-term performance contributions and risk profiles. Medium-to long-term performance incentives are subject to lock-up periods determined by length of service and paid on a deferred basis. Concurrently, a multi-tiered protection system has been established. On one hand, the Bank strictly implements statutory protection requirements such as the “five insurances and one housing fund” and enterprise annuity, solidifying the baseline of fundamental safeguards. On the other hand, it establishes mechanisms including enterprise annuity and supplementary medical care to build diversified welfare protection. Meanwhile, leveraging trade union funds, it provides multi-dimensional employee benefits covering statutory holiday greetings, care for significant personal events, cultural and recreational activities, and special allowances, comprehensively safeguarding employee rights and interests.

Regular Compensation	The Bank’s compensation structure primarily includes basic salary, performance-based pay, and medium-to long-term performance incentives, among others. Performance-based pay and medium-to long-term performance incentives constitute variable compensation, allocated based on factors such as current and long-term performance contributions and risk profiles. Different lock-up periods are set for medium-to long-term performance incentives according to employees’ length of service with the Bank, and deferred payment is implemented.
Right Protections	The Bank provides social insurance and other benefit schemes, including endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, housing provident fund, enterprise annuity and supplementary medical insurance. It also offers comprehensive leave benefits such as paid annual leave, sick leave, marriage leave, maternity leave, paternity leave and parental leave.
Employee Benefits	The Bank provides multi-dimensional care benefits, including material condolences for statutory holidays, birthday greetings, congratulations for weddings and childbirth, visits for serious illnesses and hospitalizations, condolences for funerals, and retirement commemorations for significant personal events. It also offers leisure benefits such as support for employees’ amateur cultural and sports activities, and day-trip spring and autumn outings. Additionally, special care programs are implemented, including subsidies for model workers and advanced employees for recuperation and leisure, cooling and warming measures for special working environments, and financial aid for education in the golden autumn.

Regarding performance appraisal, the Bank has steadily advanced hierarchical and differentiated assessments, adhering to market-oriented principles and the guidance of “distribution according to work, more pay for more work, and efficiency first”. It has optimized assessment methods, indicators, and the application of results. The Bank formulated the “Management and Assessment Measures for Reform and Innovation”, rewarding model innovation projects to foster an atmosphere of innovation across the entire organization.

In terms of cadre team building, the Bank has established systems such as the “Management Measures for Cadres”, implementing a selection and appointment mechanism of “promoting the competent, reassigning the average, and removing the incompetent”. It standardizes the processes for cadre selection, supervision, and exit to ensure that cadre management is conducted in accordance with regulations.

Safeguarding Employees’ Health and Safety

The Bank fully recognises that employees’ health and safety are crucial to the sound operation of the Bank. To safeguard the health and safety of its employees, the Bank strictly complies with the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases, the Fire Protection Law of the People’s Republic of China and other relevant laws and regulations. Meanwhile, the Bank arranges regular health check-ups for employees to care for their physical well-being.

The Bank attaches great importance to safety protection at its operational premises. During the Reporting Period, the Bank continued to implement the Three-Year Action Plan for Fundamental Improvement and Tackling Challenges in Workplace Safety (2024–2026), which aims to eliminate various potential safety hazards, comprehensively enhance the Bank’s workplace safety management, and ensure the safety of employees’ lives and property as well as the stable and orderly operation of the business. To foster a strong “comprehensive safety” mindset, the Bank closely integrated workplace safety with compliance management, risk prevention and control, public opinion management and other areas during the Reporting Period. It also conducted systematic training covering safety and security systems, job safety instructions, emergency response plans and other content, which continuously improved the safety awareness and competence of all employees.

In the meantime, the Bank pays close attention to employees’ mental health. During the Reporting Period, the Bank actively organised a variety of cultural, sports and humanistic care activities to effectively relieve work pressure, help employees achieve a better work-life balance, and continuously enhance their sense of belonging and well-being.

Ensuring Smooth Democratic Channels

The Bank places great emphasis on safeguarding employees’ democratic rights, adhering to democratic management, participation, and supervision, and ensuring the “last mile” of service delivery to employees is effectively bridged. First, the Bank improved the staff congress system, implemented democratic decision-making, and safeguarded the staff congress’s review rights over major decisions, compensation and benefits, among other matters. In 2025, the Bank convened the Trade Union Member Congress, the Plenary Committee, and the Staff Representative Congress with nine relevant proposals considered and approved, while concurrently advancing the re-election of the staff congress and the solicitation of proposals. Second, we promoted the openness of bank affairs. Relying on both online and offline channels such as bulletin boards and WeChat platforms, we promptly disclosed matters related to the vital interests of employees and Party conduct and integrity, thereby strengthening democratic supervision. Third, we facilitated unimpeded channels for voicing demands. By establishing closed-loop management through the “Employee Demand Express” and the “Sea Accepts Hundred Rivers” employee forum, we cumulatively collected and 100% resolved 65 employee suggestions and opinions, ensuring that “every voice receives a response and every matter finds a resolution”.

People-Oriented, Supporting Employee Growth (Continued)

Case: Starting from the “Heart”: Building a System for Employee Mental Health Support

The Bank deeply implemented the people-oriented ESG philosophy, continued to build the featured brand of “Mental Health Grand Lecture Hall” and launched menu-based course selection and professional psychological assessment services to accurately meet the psychological needs of employees. During the period, a total of five themed activities were carried out, covering more than 1,300 employee-attendances, to build a comprehensive mental health support system for employees and create a harmonious and positive working atmosphere. During the activity period, experts in the field of mental health were invited to conduct thematic lectures and salon activities focusing on stress management, emotional adjustment and other content. Through professional explanations, case analyzes and interactive experiences, these activities helped employees enhance their psychological adjustment capabilities and assisted new employees in better integrating into the workplace. At the same time, employees were organized to participate in public welfare lecture tours related to family education, and to learn scientific parenting and communication methods, assisting employees in balancing work and family, and effectively enhancing employees’ sense of happiness and belonging.



Case: “Women in Bloom, Striving for a New Journey”: International Women’s Day Themed Activities

To demonstrate care and respect for female employees and to practice the ESG philosophy of gender equality, the Bank launched a series of themed activities under the title “Women in Bloom, Striving for a New Journey” during the International Women’s Day period. Each branch, in light of its own characteristics, organized female employees to carry out activities such as spring outings, intangible cultural heritage handicraft experiences, creative production and themed film screenings, which enriched their spiritual and cultural lives while further consolidating team consensus and enhancing cultural identity. The activity fully demonstrated the positive and enterprising spirit of the female employees, effectively stimulated their enthusiasm for entrepreneurship and professional endeavors and gathered the strength of women to support the high-quality development of the entire Bank.



Case: Uniting Hearts and Minds to Pursue Dreams on the Field: The 8th Employee Sports Games

The Bank practiced the ESG philosophy of healthy living and happy working, and successfully held the Eighth Staff Sports Games, further enriching the cultural and sports life of employees and enhancing team cohesion. With the theme “Sincere Unity to Showcase Style, Striving for Excellence to Create First-class”, this session of the Games covered the head office and nearly 100 branches, with more than 1,700 employees actively participating. The event balanced competition with fun, featuring 55 competition items adapted for the participation of employees across different age groups. On the field, everyone strove bravely and collaborated in coordination, fully demonstrating the cultural foundation of being striver-oriented and a spirited and upward mental outlook, effectively enhancing the collective sense of honor and team cohesion among all staff.



Brand Building, Conveying the Demonstration of Responsibility

The Bank adheres to forging its brand through responsibility and shaping its image through communication. By refining the brand architecture, deepening thematic promotions, and building an all-media matrix, we vividly demonstrate the Bank's development practices and sense of responsibility, continuously building a warm and credible local financial brand.

Building a “1+N” Brand Architecture

With the main brand of Weihai Bank as the core lead, the Bank continued to deeply cultivate mature sub-brands with market foundations such as “Heart to the Party, Road to Success” and “Golden the Green”, and coordinated the creation of six major business brands, namely technology finance, transportation finance, inclusive finance, pension finance, wealth management and digital finance, to build a professional brand matrix with comprehensive coverage and prominent characteristics.



Figure: Weihai Bank “Heart to the Party, Road to Success” Brand Image



Figure: Weihai Bank “Golden the Green” Brand Image

Enhancing Thematic Communication

Focusing on key tasks such as serving the real economy, green development, and inclusive finance, and aligning with the “Five Major Articles” and the Bank's overall development strategy, we innovated communication approaches and expanded dissemination channels. We actively collaborated with regulatory authorities, banking associations, and mainstream media at all levels, deepened cooperation with central and provincial authoritative media, and conducted thematic reports and in-depth dissemination around the Bank's high-quality development practices, support for the local economy, and fulfillment of social responsibilities. This comprehensive effort showcased the Bank's commitment and development achievements, continuously enhancing brand credibility and social influence.

Building a Comprehensive Media Communication System

We established a communication matrix that synergizes mainstream media, new media, and owned media, promoting the Bank's “Deeply Rooted in Shandong, Sincerely Serving” responsibility brand through integrated online and offline multi-channel outreach. Enhance the VI visual identity system, create distinctive content such as image promotional videos and themed promotional materials, and leverage the full media matrix to widely disseminate the concept of sustainable development and the commitment to serving the people through finance, continuously improving brand reputation and social image.



Commitment to Public Welfare, Fulfilling Social Responsibility

The Bank actively gives back to society with compassion, persistently advancing the development of its public welfare platform through targeted assistance, rural revitalization, community public welfare, and activities, and collaborating with stakeholders to build a bridge for harmonious community relations.

Targeted Assistance Efforts

During the Reporting Period, the Bank continued to intensify its targeted assistance efforts, steadily advancing designated assistance and poverty alleviation initiatives. The Bank has cumulatively invested RMB44,000 in various forms of employee assistance externally, an increase of RMB6,800 from the last year-end, effectively supporting the development of the assisted regions. Internally, the Bank has improved its support and hardship relief system, uniformly purchasing hospitalization medical mutual aid insurance for all employees. In 2025, inpatient medical mutual assistance insurance totaling RMB170,000 covered all employees of the Bank, effectively alleviating their financial burdens and solidifying the baseline for people's livelihood security.

Community public welfare services; customer appreciation activities

Community Public Welfare Services

During the Reporting Period, adhering to the “customer-centricity” service philosophy, the Bank meticulously organized a series of community public welfare activities, giving back to the community through practical actions and continuously enhancing the Bank's responsible brand image.

Case: Renewing the Old, Greening the Journey: Used Clothing Recycling Public Welfare Activity

During the Reporting Period, the Bank collaborated with surrounding communities to carry out the “Renewing the Old, Greening the Journey” used clothes recycling public welfare activity, practicing the concept of low-carbon living through the recycling and utilization of resources, actively conveying the connotation of green finance and promoting the integration of sustainable development concepts into communities. The activity established convenient recycling points for used clothing; after environmental processing, a portion of the clothing is used for public welfare donations, while another portion is converted into recycled materials, achieving circular carbon reduction. At the same time, green finance knowledge was popularized on-site, relevant financial products were promoted and residents were encouraged to participate in environmental protection through forms such as gift redemption. The Bank has also established a long-term cooperation mechanism with the community, incorporating the environmental protection behaviors of residents into green credit files and granting preferential loan interest rates to customers who actively practice environmental protection, so as to continuously improve the quality and efficiency of green financial services.



Case: Nurturing Young Minds with Financial Protection: “Little Hands, Big Hands: Understanding Renminbi” Themed Activity

During the Reporting Period, the Bank collaborated with local kindergartens to organize the “Little Hands, Big Hands: Understanding the Renminbi” themed activity, focusing on the dual themes of “currency recognition + value enlightenment” to fulfill its social responsibility of promoting financial literacy. During the activity, staff systematically explained the denominations, portrait design origins, and the corresponding World Cultural Heritage sites depicted on the reverse side of the fifth series of the Renminbi through physical displays. A practical 10-yuan shopping challenge was also set up to help children understand the correspondence between price tags and currency units, thereby deepening their understanding of money. This event received high recognition from kindergarten teachers and students.



Governance

The Bank actively practices the concept of modern financial governance, firmly steering the direction of governance through Party building leadership, activating governance momentum through deepening reforms, and deeply integrating into a new landscape of high-quality development. In 2025, the Bank strengthened its top-level design in the governance domain, solidly implemented various tasks and requirements for Party building-led financial governance and deepening reforms, continuously improved its internal control and compliance management system, and built a comprehensive risk management defense line, thereby enhancing its risk resilience and compliance management capabilities. It comprehensively established a governance safeguard for stable development, ensured operational safety and stability through governance practices that strengthen the foundation via Party building, improve efficiency through reforms, and mitigate risks through risk control, and advanced the modernization of the financial governance system and governance capabilities.

- Party Building as the Guide, Consolidating Governance Foundations
- Deepening Reforms, Boosting Development Momentum
- Optimize Structure to Enhance Governance Effectiveness
- Risk Control as the Foundation, Fortifying the Security Line
- Internal Control and Compliance: Upholding the Bottom Line of Operations



Party Building as the Guide, Consolidating Governance Foundations

In 2025, the Bank fully implemented Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the 20th National Congress of the Communist Party of China, as well as the second, third, and fourth plenary sessions of its 20th Central Committee. The Bank thoroughly implemented the general requirements for Party building in the new era, resolutely upheld the Party’s leadership, strengthened Party building, and deeply integrated Party building work with business management, corporate culture, and business development. Through practical action and responsibility, the Bank interpreted its original aspiration of “Finance Serving the People”, driving high-quality development with high-quality Party building.

Party Building Integration Brand

The Bank has deeply integrated Party building with corporate culture development, thoroughly comprehended the essence of the “Five Musts and Five Must Nots” in financial culture with Chinese characteristics, and advocated the values of “Altruism, Integrity, Agility, and Openness”, continuously enhancing the Party building brand of “Heart Towards the Party, Road to Success”.

Building a Distinctive Brand System

Centered on the Party building brand “Heart Towards the Party, Road to Success”, the Bank has established a “1+N” Party building brand matrix, cultivating 70 sub-brands such as “WE Win Pioneers” and “Sunflower at Dawn”, forming a distinctive and interconnected Party building framework. Currently, 20 of the Bank’s Party branches are rated as five-star, and 72 branches are recognized as strong Party branches. Two grassroots Party branches have been honored with the title of “Demonstration Sites for Exemplary Party Branches in Provincial State-Owned Enterprises”. The Party building brand “Heart Towards the Party, Road to Success” has received two national honors: the “Special Prize for Innovation Achievements in Enterprise Party Building Brands” and the “Special Prize for Outstanding Cases of Brand Strengthening Enterprises”.

Exemplary Role

The Bank organized the “Two Excellences and One Advanced” selection and recognition activities to commend outstanding Communist Party members, outstanding Party affairs workers, and advanced grassroots Party organizations that have emerged in promoting the Bank’s high-quality development. These activities aim to leverage the exemplary role of role models, inspiring all employees to learn from the best and strive for excellence.

Enriching the Carriers of Party Building Activities

The Bank actively organized and participated in distinctive red education activities such as the “Patriotic Education Tour along the Coastline”. Simultaneously, it promoted Party organizations at all levels to extend their efforts in carrying out diverse activities, including Party building co-construction, themed Party Day events, and volunteer services. These initiatives are designed to deeply embed the red gene through interaction, creating a dynamic situation characterized by vertical integration and horizontal linkage across the entire organization.

Strengthen Ideological and Work Style Development

Continuously deepen ideological and theoretical development, and fully implement and conduct educational activities on the spirit of the Central Committee’s eight-point decision. Simultaneously carry out special supervision and inspections on improving the quality and efficiency of green finance, as well as face-to-face interviews and signing for credit business, fostering a clean and upright atmosphere for entrepreneurship and work.

Improving the Party’s Governance Mechanisms

Integrate Party leadership into all aspects of corporate governance, improve the mechanism of “two-way entry and cross-appointment”, standardize decision-making procedures for “three major and one large” matters, and ensure the effective fulfillment of the Party Committee’s leadership role in “setting the direction, overseeing the overall situation, and ensuring implementation”.

Integrating Party Building with Business Operations

Innovative Financial Products and Services

Integrating Party building efforts into business innovation, we focus on the “Five Major Articles” of financial work. We have innovatively launched products such as “Green Farming Loan” and “Data Intellectual Property Pledge Financing”, and developed business models like “Green+” and “Digital+”. These initiatives provide precise services for green development, inclusive financing for small and micro enterprises, technological innovation, and other areas, thereby more accurately serving the real economy and urban and rural residents.

Optimizing Organizational and Talent Support

Integrating Party building efforts into organizational structure and talent team development, we anchor the direction of the “Four Modernizations” transformation. We optimize internal institutions and promote the comprehensive operation of county-level branches and the construction of smart service outlets. We cultivate vanguard teams with strong political awareness and professional expertise, expand specialized teams for micro-loans and corporate banking, and leverage the leading role of Party members and cadres.

Enhancing the Quality and Effectiveness of Public Service

Integrating Party building work into daily services, establishing “elderly-friendly service outlets”, improving intelligent service systems such as video banking, online customer service, and AI assistants, and deepening public welfare activities, including financial literacy promotion, community financial services, and support for agriculture and education, to provide customers with a higher-quality financial service experience and fulfill social responsibilities through concrete actions.

Case: Continuing the Red Legacy, Uniting Strength for Progress – Party Building Leading Patriotic Education and Lecture Activities

During the Reporting Period, to commemorate the 80th anniversary of the victory of the Chinese People’s War of Resistance Against Japanese Aggression and the World Anti-Fascist War, and to celebrate the 104th anniversary of the founding of the Communist Party of China, the Bank hosted the patriotic education presentation activity for the financial system of Weihai City. The activity took Weihai’s red history and coastal culture as its main theme, showcasing the local journey of struggle and resistance as well as the deeds of heroic models through various works; the activity concluded successfully with a group chorus of “Ode to the Motherland”. The Bank will take this event as an opportunity to adhere to the guidance of Party building, focus on reform, innovation and high-quality development, and contribute financial strength to regional economic and social construction.

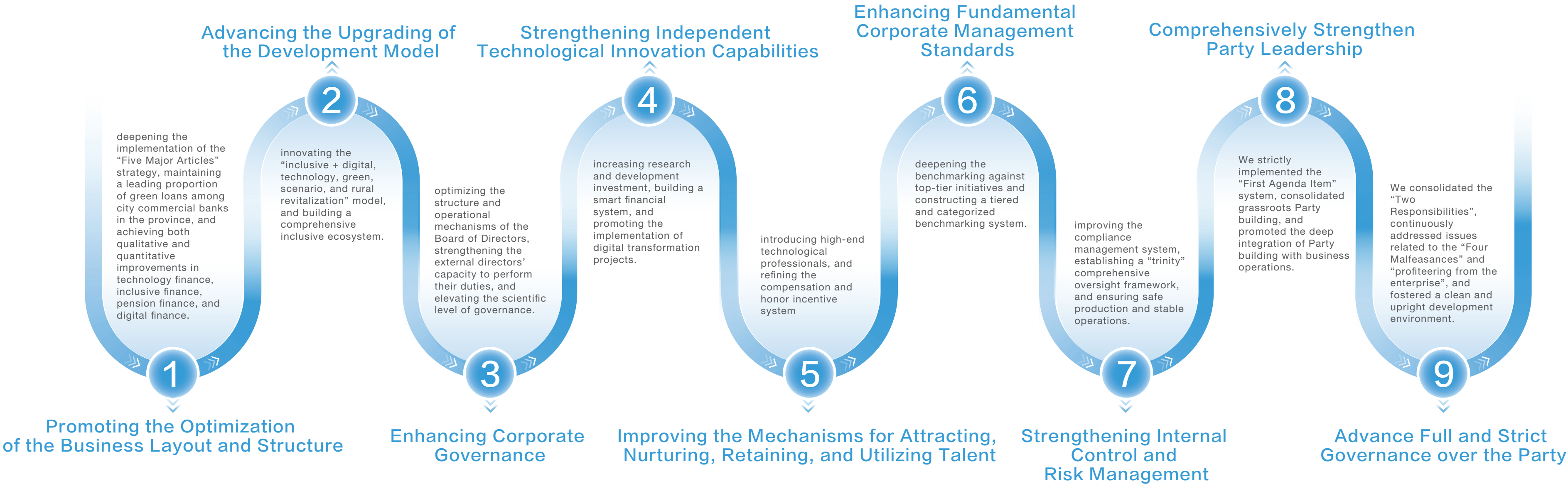


Deepening Reforms, Boosting Development Momentum

In 2025, to comprehensively implement the guiding principles of the 20th National Congress of the Communist Party of China and the decisions of the Central Financial Work Conference, fulfill the requirements of deepening the reform of state-owned enterprises, and advance toward the goal of becoming a “first-class city commercial bank in China”, the Bank continued to implement the “Action Plan for Deepening and Enhancing Reforms (2024–2025)”. All reform tasks progressed in an orderly manner, and governance efficiency significantly improved. With the reform objectives of “market orientation, specialization, refinement, and digitalization”, the Bank promoted the adjustment of its business layout, demonstrating greater contributions to the supply-side structural reform in the financial sector; advanced the upgrading of its development model, achieving greater results in the leapfrogging of innovation and value chains; improved corporate governance, making greater progress in building a modern financial enterprise system; innovated its operational mechanisms, further enhancing corporate vitality and motivation; and strengthened Party leadership, ensuring high-quality development under the guidance of high-quality Party building.

2025 marked the second year of the Bank’s deepened reforms. The Bank integrated the concept of sustainable development throughout the entire reform process, ensuring that all reform tasks were effectively implemented and achieved significant progress. Specific achievements include:

Going forward, the Bank will continue to consolidate the achievements of deepening reform and enhancement, fully implement the decisions and arrangements of the Central Economic Work Conference and other key meetings, assist the Group in accelerating the realization of its “Double First-Class” goals, serve the building of a financial powerhouse with concrete actions and tangible results, and contribute more significantly to promoting the high-quality development of finance.

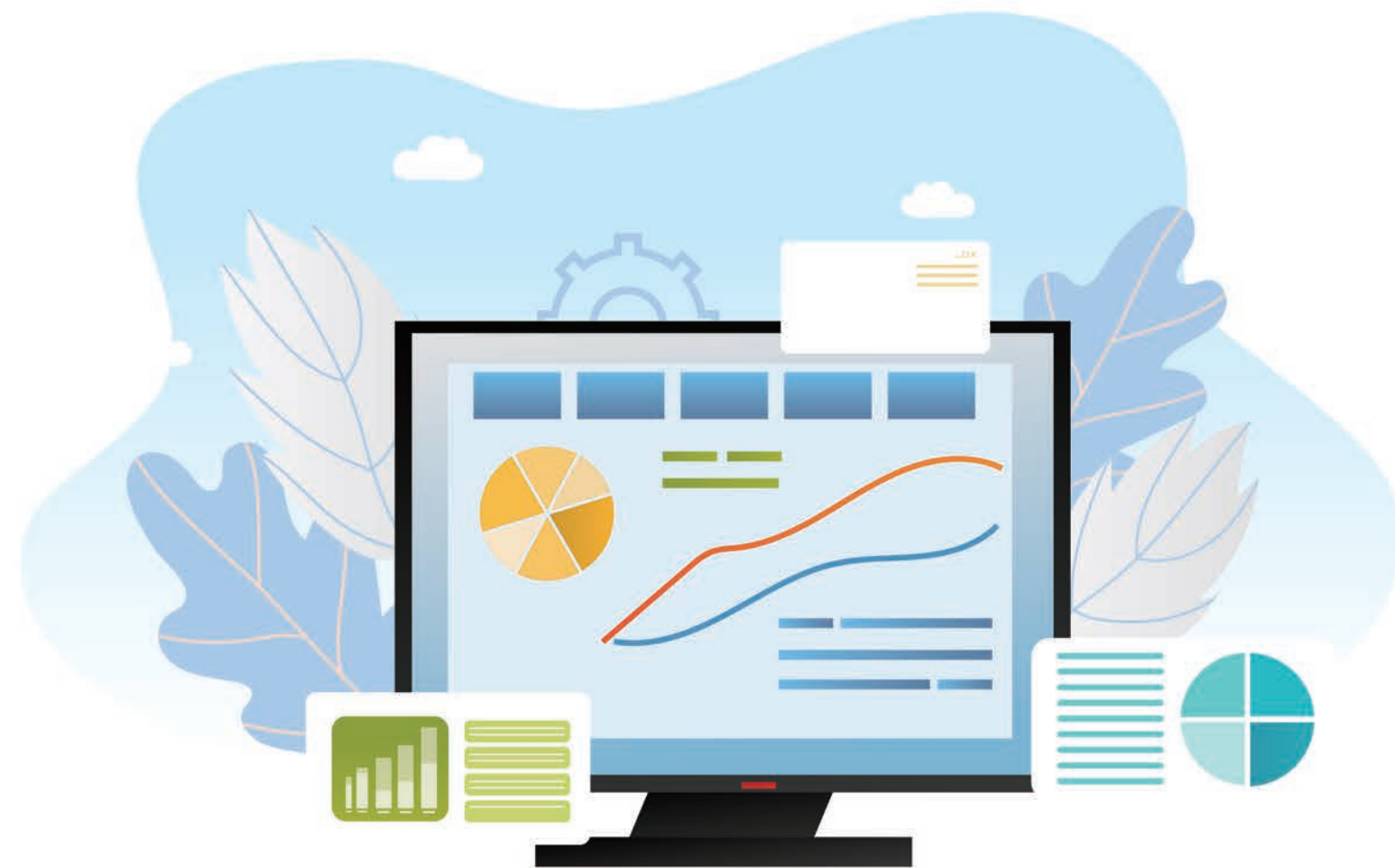


Optimize Structure to Enhance Governance Effectiveness

Improve the Governance System

In terms of improving corporate governance, the Bank strictly implemented the “two consistent principles” and continuously enhanced the modernization level and effectiveness of the governance system. The Bank further clarified the boundaries of authority and responsibility among various governance bodies, continuously optimized the management of the Party organization’s “three lists”, standardized the management of shareholders and equity, strengthened the standardized operation of the Board of Directors, improved the management capabilities of the Senior Management, and promoted a more coordinated and efficient governance system.

The Bank strictly complied with the requirements of laws and regulations such as the “Company Law”, the “Commercial Bank Law”, and the “Corporate Governance Standards for Banking and Insurance Institutions”. It continuously improved the modern financial enterprise governance structure, which is centered on the Shareholders’ Meeting, the Board of Directors, and the Senior Management. This ensures that each governance body fulfills its respective duties, takes responsibility, operates in a coordinated manner, and maintains effective checks and balances, providing a solid governance foundation for the Bank’s sustainable and high-quality development.



Enhancing Operational Effectiveness

Shareholders’ Meeting

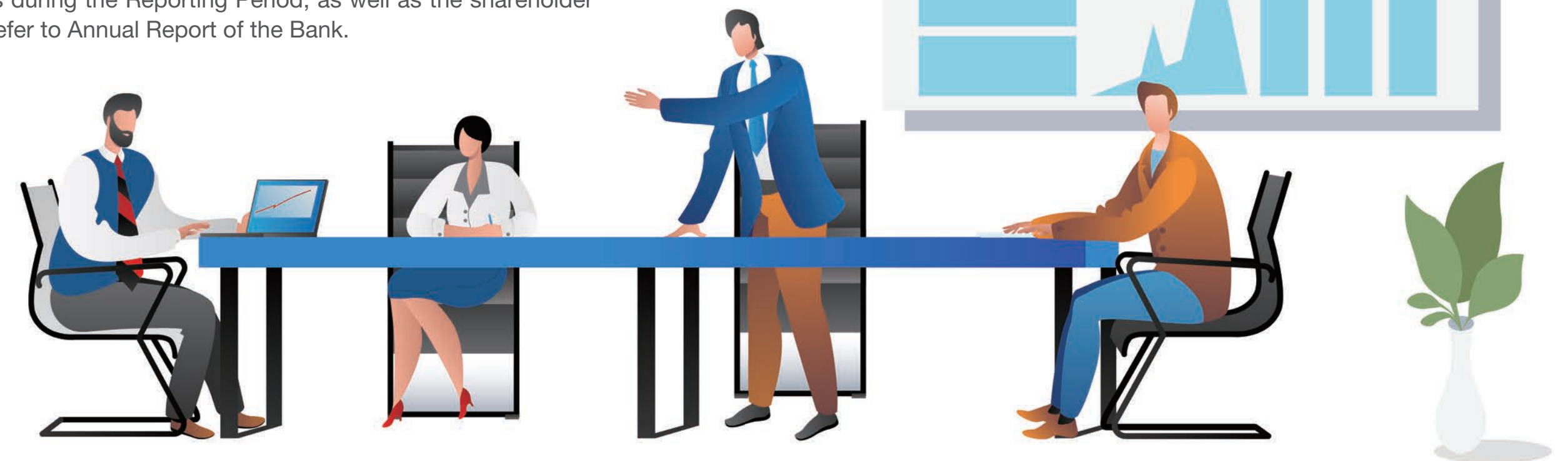
The General Meeting of Shareholders serves as the highest authority of the Bank, exercising decision-making power over significant matters of the Bank in accordance with the law. During the Reporting Period, the Bank held one annual general meeting, one extraordinary general meeting, one domestic share class meeting, and one H share class meeting. A total of 20 proposals were reviewed and approved.

Board of Directors

The Board of Directors serves as the Bank’s decision-making body, accountable to the Shareholders’ Meeting and bearing ultimate responsibility for the Bank’s operations and management. During the Reporting Period, the Board of Directors convened 6 meetings with an attendance rate of 92%, deliberating on 106 resolutions.

Under the Board of Directors, there are the Strategic Development and Social Responsibility Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Related Party Transactions Control Committee, the Audit Committee, and the Consumer Rights Protection Committee. As of the end of 2025, the Bank had a total of 14 directors, comprising 4 executive directors, 5 non-executive directors (including 1 employee director), and 5 independent directors. In terms of gender composition, there are 12 male directors and 2 female directors.

For details of the meetings held by the Shareholders’ Meeting, the Board of Directors, and the specialized committees during the Reporting Period, as well as the shareholder communication policy, please refer to Annual Report of the Bank.



Senior Management

The senior management, as the executive body, is accountable to the Board of Directors and implements the Board’s decisions.

The Bank has implemented a mechanism for deferred payment and clawback of performance-based compensation for senior executives and personnel in key positions. If such personnel experience abnormal exposure to risk losses within their responsibilities during their tenure, the Bank may partially or fully claw back the performance-based compensation already paid during the relevant period and withhold any unpaid portion.

The variable compensation of the Bank’s senior executives is linked to sustainability indicators, including the development of businesses such as green finance and inclusive finance, as well as operational efficiency, risk prevention and control, customer satisfaction, and employee satisfaction.

Optimize Structure to Enhance Governance Effectiveness (Continued)

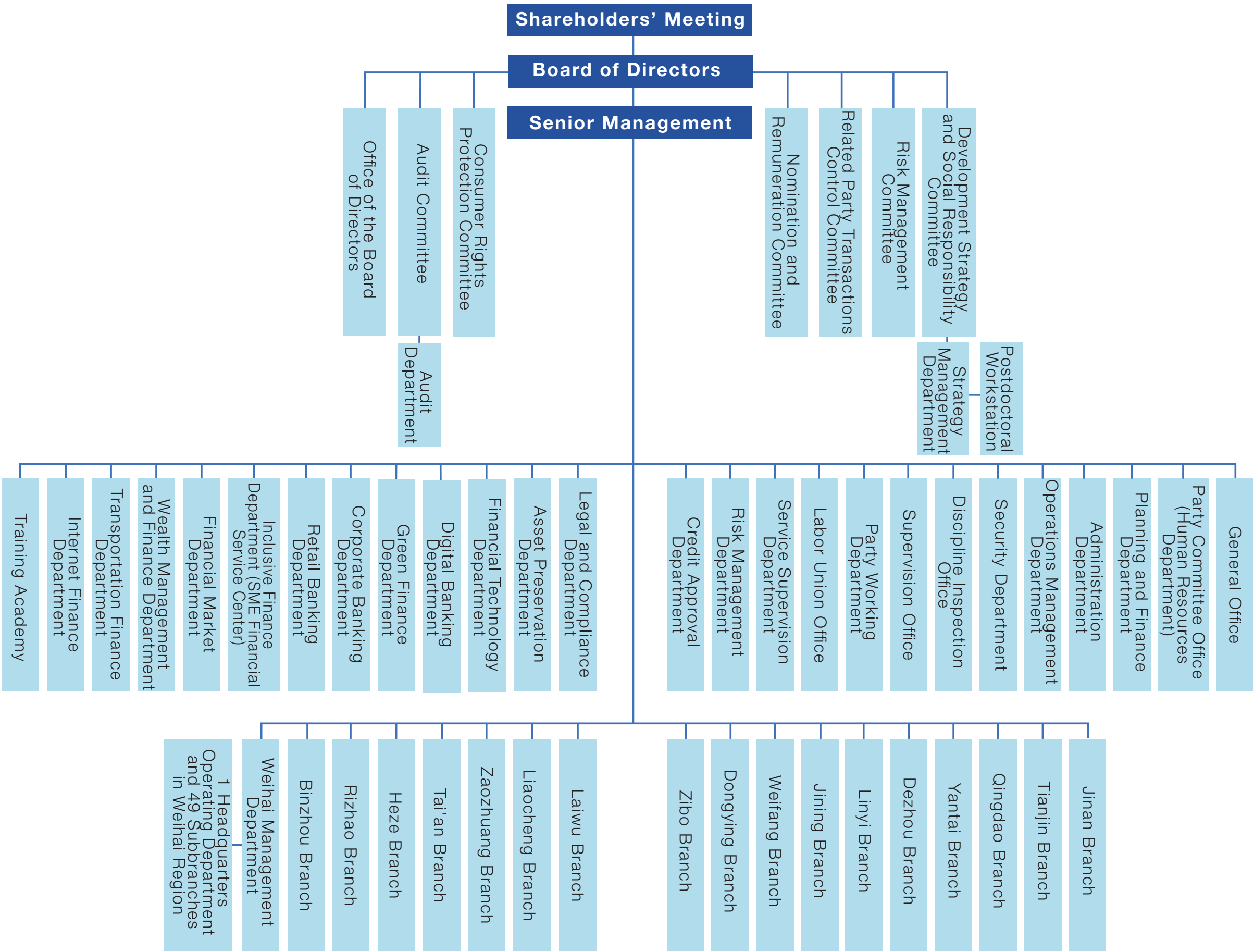


Figure: Governance Structure of the Bank

Risk Control as the Foundation, Fortifying the Security Line

Enhancing Risk Control Mechanisms

The Bank’s risk control management framework adheres to the principles of clear hierarchy, well-defined responsibilities, and comprehensive coverage. It establishes a four-tier system of “Board of Directors overseeing decision-making, senior management implementing specific measures, functional departments managing by division of labor, and branches executing operations on the ground”. This system, combined with the “three lines of defense” in risk management, achieves full coverage of risk control across all personnel, processes, and institutions.

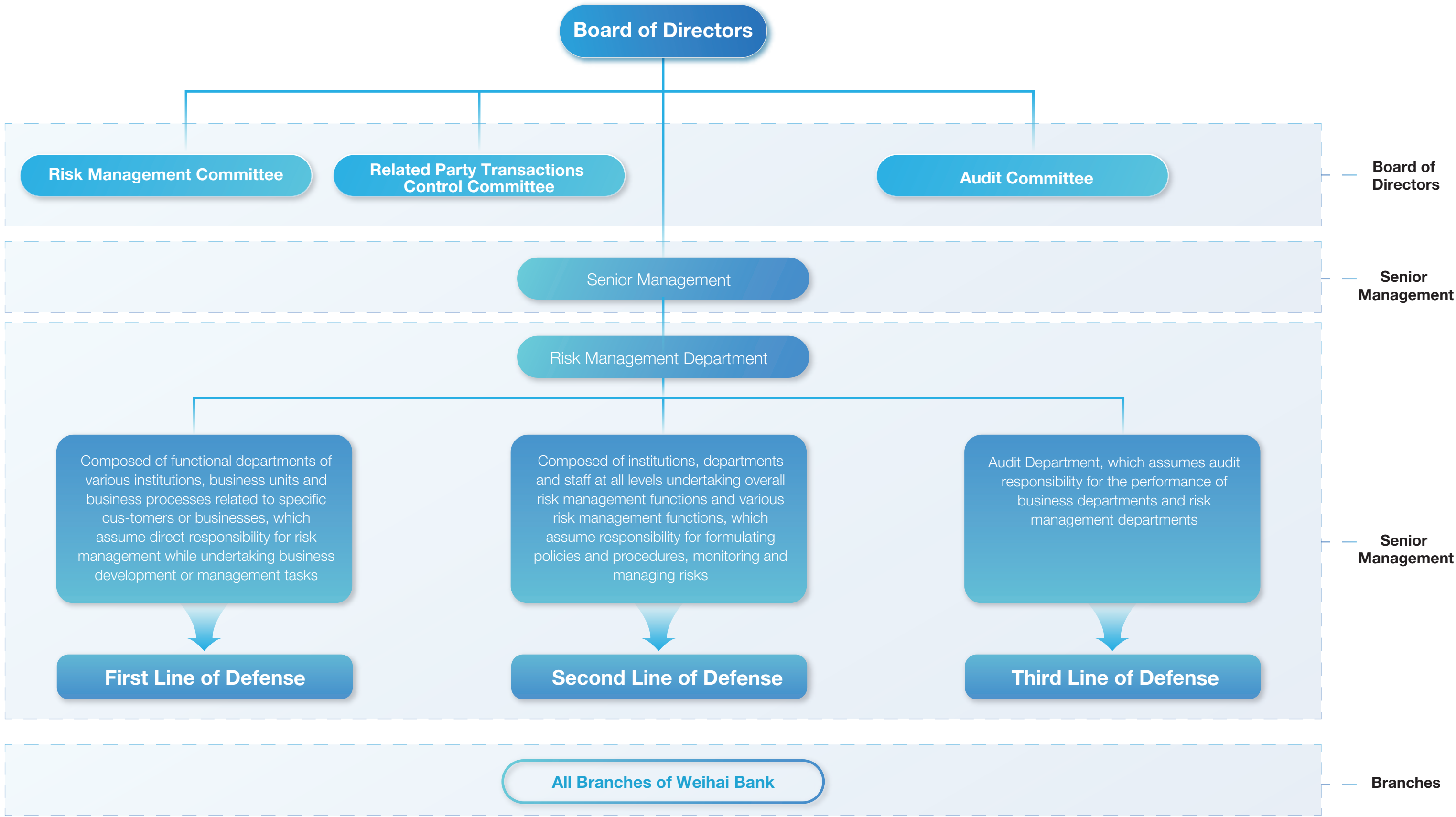


Figure: Organizational Structure of the Bank’s Risk Management

Board of Directors and Its Special Committees

As the highest decision-making body, the Board of Directors assumes ultimate responsibility for risk management. It is responsible for formulating or approving risk control policies and fundamental management systems, overseeing their implementation, and coordinating the Bank’s overall risk control strategy. The Board of Directors has established three specialized committees, namely the Risk Management Committee, the Connected Transactions Control Committee, and the Audit Committee, which are primarily responsible for risk control. Each committee has established communication mechanisms to ensure information sharing and provide strong support for risk control decision-making.

Senior Management and Its Special Committees

The senior management is responsible for the implementation of comprehensive risk management, strictly executes resolutions of the Board of Directors, clarifies the risk control responsibilities of various departments, ensures resources and authorizations for risk control-related departments, formulates risk limits and accountability mechanisms, regularly reports the risk control status to the Board of Directors, and handles risk control violations in accordance with authorized powers. The senior management has established five specialized committees, namely the Risk Management Committee, Credit Review Committee, Asset and Liability Management Committee, Information Technology Committee, and Investment Review Committee. These committees focus on various specific risk control tasks, collaborate through division of labor, and ensure implementation.

Major Risk Management Departments at the Head Office

The Head Office’s various functional departments have established the “Three Lines of Defense” for risk management. Through division of labor, collaboration, and mutual checks and balances, they ensure the effective implementation of the Bank-wide risk control policies, as detailed below:

- First Line of Defense:** Comprising various institutions, business departments, and related functional departments, it directly undertakes the responsibility for risk identification and prevention within its own department and processes while conducting business operations.
- Second Line of Defense:** Consisting of various risk control functional departments, it formulates risk control policies and procedures and monitors Bank-wide risks. Specifically, it includes the Risk Management Department, Legal and Compliance Department, Credit Approval Department, Planning and Finance Department, Financial Technology Department, Office, and other relevant departments of the Head Office, which implement specialized risk control responsibilities through division of labor.
- Third Line of Defense:** Comprising the Head Office’s Audit Department, it conducts independent audits of the performance of the first and second lines of defense, identifies vulnerabilities, proposes rectification recommendations, and strengthens risk control accountability.

Risk Control as the Foundation, Fortifying the Security Line (Continued)

Enhancing Risk Control Mechanisms (Continued)

• Branch Risk Management

Branches strictly adhere to the Head Office's risk control requirements, implementing a management mechanism of "General Manager oversight, Risk Management Department execution": The Branch General Manager holds overall responsibility for the branch's risk control work, overseeing and supervising the implementation of various risk control tasks; the Branch Risk Management Department is responsible for strictly enforcing the risk control policies issued by the Head Office, conducting daily risk management and control for the branch, and regularly submitting risk management reports to the Head Office.

Establishing a Risk Control Framework

The Bank has established a comprehensive risk management policy, process, and limit management system, covering core risks such as credit risk, market risk, and operational risk. It has implemented a capital constraint mechanism centered on capital adequacy ratio management, an internal capital adequacy assessment mechanism, and a full-process management mechanism encompassing risk identification, measurement, monitoring, mitigation, and control.

During the Reporting Period, the Bank continued to enhance its comprehensive risk management system, balancing business development with risk control by formulating annual risk appetite strategies, clarifying various risk limits and control measures. Environmental, social, and governance risk factors were incorporated into the relevant risk assessment scope, with efforts such as risk identification and stress testing conducted to proactively evaluate the impact of risks and formulate improvement measures, ensuring that all types of risks remain manageable.

Meanwhile, the Bank established a full-process digital risk management system, strengthening the application of internal and external data and risk models in areas such as business access and risk warning. It also developed risk management systems such as a post-loan management platform and a comprehensive risk control framework, leveraging the core role of system tools in risk management and control. During the Reporting Period, the Bank continuously optimized the functionality of related systems and, in line with the implementation of the "Commercial Bank Capital Management Measures", constructed an RWA risk-weighted asset measurement system to enhance the accuracy of various risk measurements and further strengthen its comprehensive risk management capabilities.

Enhancing Capacity Building

The Bank has fostered a risk culture rooted in risk control and characterized by prudence, comprehensively fortifying risk defenses and achieving a symbiotic relationship between risk and value. It has established a risk management philosophy that emphasizes forward-looking risk identification, proactive risk prevention, alignment with development needs, and meticulous risk control, thereby solidifying a foundation of bottom-line awareness, responsibility awareness, compliance awareness, and risk awareness among all employees.

In 2025, the Bank took multiple measures to strengthen its risk management capacity building. It organized a series of learning and exchange activities, including comprehensive risk management internal trainer programs, training for key personnel, and advanced training courses on risk management and green finance business development, systematically cultivating risk control professionals. The Bank compiled a collection of major risk cases, established a risk management column and micro-courses on its internal online learning platform, enriching the learning resources for risk control. It conducted effectiveness assessments of comprehensive risk management and incorporated the assessment results into the performance evaluation of first-tier institutions, using evaluation to drive efficiency improvements and solidify the risk prevention foundation for the Bank's high-quality development.



Internal Control and Compliance, Upholding the Bottom Line of Operations

The Bank strictly adheres to national laws, regulations, and regulatory requirements, closely aligning with the “Four Modernizations” transformation direction and practicing the values of “Altruism, Integrity, Agility, and Openness”. It clearly defines the management boundaries and collaborative relationship between internal control and compliance management. Internal control establishes the foundation for internal operational management, while compliance ensures that business activities meet both external regulations and internal policies, forming a dual safeguard system of “internal control as the foundation, compliance as the guardian”. This comprehensively enhances the quality and efficiency of internal management, ensuring the safe and stable operation of the Bank.

Internal Control and Compliance Governance System

The Bank strictly adheres to relevant regulations on internal control and compliance management. It has established a unified governance organizational structure where the Board of Directors and the Senior Management provide overall leadership, the Legal and Compliance Department and the Audit Department take the lead in management and control, and all business departments and branches collaborate in implementation. This forms a comprehensive, full-process control framework, strengthening the defense line for operational safety. The Bank follows the principle of “hierarchical management and level-by-level accountability”, clearly defining the dual core responsibilities of internal control and compliance at each level as follows:

- **Board of Directors:** Bears ultimate responsibility for the effectiveness of internal control and compliance management. In terms of internal control, it approves policies and oversees the performance of senior management, with the Risk Management Committee established under it to supervise the implementation of internal controls. Regarding compliance, it sets objectives, approves systems, appoints and removes the Chief Compliance Officer, and urges the resolution of major compliance issues.
- **Senior Management:** Executes decisions of the Executive Board; in terms of internal control, establishes the framework, allocates resources, and assesses effectiveness; in terms of compliance, implements objectives, promotes system development, manages risks, and rectifies major compliance issues.
- **Chief Compliance Officer and Compliance Officers:** Lead the Bank’s overall compliance management, promote system construction, conduct compliance reviews, and report as required; compliance officers of branches are responsible for compliance work at their respective levels and cooperate in implementing internal control work.
- **Head Office Legal and Compliance Department:** Leads internal control and compliance management; in terms of internal control, formulates policies and coordinates assessments; in terms of compliance, develops systems, conducts review training, and promotes the implementation of work.
- **Head Office Audit Department:** Performs dual supervisory responsibilities; internally controls audit effectiveness and supervises rectifications; ensures operational compliance in audits, collaborates with compliance departments to strengthen supervisory synergy.
- **Business Departments and Branches:** Assume primary responsibility, implement internal control and compliance systems, conduct self-inspections, report risks, implement rectifications, with heads bearing primary accountability.

Strengthening Internal Control

In 2025, in line with regulatory requirements and its own high-quality development needs, the Bank revised the “Internal Control Management Policy”, further improving the internal control management system, enhancing internal control mechanisms, standardizing the entire internal control management process, continuously solidifying the foundation of internal control management, strengthening the internal control awareness and risk prevention capabilities of all staff, and providing robust institutional support for the Bank’s safe and stable operations and sustainable development.

Internal Control Measures

The Bank establishes effective control measures by combining manual controls with automated controls, and preventive controls with detective controls, based on specific business and management activities. The following control measures apply to the business and management activities of the Bank that require control, specifically including: (i) policy control, (ii) segregation of duties and management, (iii) authorization management, (iv) risk management, (v) accounting control, (vi) asset protection control, (vii) budget control, (viii) operational analysis control, (ix) outsourcing control, (x) complaint handling mechanism, and (xi) information system control.

Internal Control Safeguards

The Bank establishes a full-process information management system, strengthens information security and internal and external communication, establishes a business continuity management system and conducts regular drills and assessments; formulates appropriate human resources policies and a scientific internal control performance evaluation system, implements differentiated evaluations for relevant functional departments, and properly retains relevant materials related to the construction and implementation of internal controls to ensure that the management process is verifiable.

Internal Control Evaluation

The Bank has established a standardized internal control evaluation system, conducting regular evaluations based on operational and risk conditions, and promptly organizing supplementary evaluations when significant events occur. It defines criteria for identifying internal control deficiencies, establishes mechanisms for rectifying deficiencies and ensuring evaluation quality control. Evaluation reports are submitted to relevant regulatory authorities as required, while the application of evaluation results is strengthened, linking them with relevant assessments and authorizations.

Internal Control Supervision

The Bank has established a comprehensive internal control supervision system with multi-departmental division of labor and collaboration. It has implemented mechanisms for reporting and feedback on internal control deficiencies and for rectifying issues, ensuring that corrective measures are effectively implemented. The Bank has also established and improved the internal control management responsibility system, clarifying management responsibilities at each level and the direct responsibilities of relevant departments. It strengthens accountability and fortifies the defense line of internal control supervision.

Strengthening Compliance Management

In 2025, in line with regulatory requirements and its own practical needs for high-quality development, the Bank revised the “Compliance Management Measures” to further improve the compliance management system, enhance compliance control mechanisms, and standardize the entire compliance management process. This continuously strengthens the foundation of compliance management, reinforces the compliance awareness and risk prevention capabilities of all staff, and provides solid institutional support for the Bank’s safe and stable operations and sustainable development.

Business Compliance Management

The Bank focuses on core business processes, further strengthening compliance control over key risks and standardizing business operation procedures through measures such as establishing compliance systems, improving operational mechanisms, fostering a compliance culture, and strengthening supervision and accountability. These efforts effectively ensure the safe and stable operation of all business activities across the Bank.

Compliance Supervision System

In terms of building the compliance supervision system, the Bank continuously improves the dynamic adjustment mechanism for the “establishment, revision, and abolition” of systems. In accordance with regulatory requirements and actual business development, it promptly optimizes the “Three Zeros and One Improvement” control system. The Bank also strengthens inspection, supervision, and corrective mechanisms, constructing a comprehensive “trinity” supervision system that integrates compliance, audit, and disciplinary inspection. This creates a synergistic supervision force to ensure the effective implementation and proper control of compliance systems.

Internal Control and Compliance, Upholding the Bottom Line of Operations (Continued)

Compliance Culture Building

In terms of fostering a culture of compliance management, the Bank has deepened its compliance culture development. The Board of Directors and senior management set the tone for compliance within the Bank, establishing principles such as “compliance starts from the top”, “proactive compliance by all staff”, and “compliance creates value”. These principles fully reflect the sound operational principle of encouraging compliance and constraining violations, creating a compliance culture atmosphere where staff dare not, cannot, and do not want to violate rules. This promotes effective interaction between the Bank’s internal compliance and external regulatory requirements, thereby enhancing the compliance awareness of all staff.

Employee Conduct Management

The management of practitioner conduct is a core component of compliance management and a crucial element in building a high-quality talent pool and reinforcing the foundation of a compliance culture. The Bank formulated the “Practitioner Conduct Management Measures”, which clarifies the division of responsibilities at the decision-making, management, and execution levels, establishing a hierarchical, collaborative, and interconnected practitioner conduct management system to ensure the safe and stable operation of the entire bank.

Integrity Reporting Management

The Bank has formulated Measures for Integrity Reporting Management, encouraging all staff to make integrity reports, resist serious irregularities and prevent relevant cases. The receiving departments shall, in accordance with their duties, conduct factual investigations, determine the nature of reported suspicious acts and handle reward applications.

Deepening Integrity Governance

In 2025, the Bank continued to deepen the development of an integrity culture, steadily advancing and improving the “Three Non’s” culture system – an integrated advancement of “dare not, cannot, and do not want to be corrupt”. It positioned the construction of a clean and honest financial culture as a foundational project for the Bank’s overall development and a crucial support for advancing the comprehensive and strict governance of the Party to greater depth, thereby solidifying an operational atmosphere of integrity and uprightness to underpin the Bank’s high-quality development. During the year, the Bank adhered to the integration and mutual reinforcement of institutional constraints and supervision management, promoted the synergistic effect of exemplary leadership and deterrent warnings, coordinated and advanced the deepening and solidification of a clean financial culture, resolutely rectified work styles and enforced discipline, continuously deepened the comprehensive and strict governance of the Party, the construction of Party conduct and integrity, and anti-corruption efforts, driving the quality and efficiency of related work to new heights.

Complying with Anti-Money Laundering Requirements

The Bank complies with the requirements of the Anti-Money Laundering Law of the People’s Republic of China and other relevant laws, regulations, and regulatory documents, and has established a well-organized, structurally complete, and clearly-defined anti-money laundering management framework, and formulated anti-money laundering management measures applicable to both the head office and its branches, incorporating money laundering risks into the comprehensive risk management system.

The Bank has formulated the “Anti-Money Laundering Work Assessment and Management Procedures” to standardize the application of assessment results, aiming to further strengthen anti-money laundering awareness, ensure the implementation of anti-money laundering laws and regulations as well as internal control systems, and improve and streamline the supervision and management mechanism.

The Bank deeply cultivates the concept of anti-money laundering among all staff, continuously enhancing employees’ awareness and level of performance in their duties. During the Reporting Period, the Bank organized 238 anti-money laundering training sessions, covering 13,000 participants.

Strengthening Lawful Operations

Adherence to Tax Compliance

The Bank strictly complies with national tax laws, regulations, and relevant policies, continuously improves its tax compliance management system, accurately grasps the direction of tax policies, and fully fulfills legal obligations such as tax declaration and payment in accordance with the law, adhering to the principles of honest and lawful tax payment. In 2025, the Bank paid a total of RMB1.854 billion in various taxes, with both the timeliness rate and accuracy rate of tax declarations maintained at 100%. Throughout the year, all types of taxes were fully paid in strict accordance with regulations, with no tax compliance violations or tax administrative penalties. The Bank actively cooperated with tax authorities in supervision and inspection work, routinely conducted tax compliance risk identification and resolution, effectively fulfilled corporate tax responsibilities, and actively practiced social responsibility.

Intellectual Property Protection

In accordance with the Patent Law of the People’s Republic of China, the Trademark Law of the People’s Republic of China, and other relevant laws and regulations, the Bank has continuously refined its Intellectual Property Management Measures in line with its operational development needs, achieving standardized management throughout the entire process of intellectual property application, maintenance, and protection. The Legal and Compliance Department, serving as the comprehensive unit for intellectual property management, takes the lead in handling matters related to intellectual property applications, maintenance, dispute resolution, and litigation at the Head Office level. In 2025, the Bank actively conducted awareness and education campaigns on intellectual property protection, effectively safeguarding and promoting intellectual property. As of the end of 2025, the Bank had cumulatively obtained six intellectual property rights of various types, with no significant intellectual property violations, and had no records of intellectual property-related complaints or administrative penalties.

ESG Performance Table

ESG Performance Table

Environmental Key Performance

No.	Indicator Name	Unit	2025
Air Emissions			
1	Nitrogen oxides (NOx) emissions	kg	963.17
2	Sulfur oxides (SOx) emissions	kg	1.93
3	Particulate matter (PM) emissions	kg	73.75
Greenhouse gas emissions			
4	Total greenhouse gas emissions (excluding carbon accounting for investment and financing)	tons of CO2 equivalent	25947.46
5	Total greenhouse gas emissions (including carbon accounting for investment and financing)	tons of CO2 equivalent	260946.67
6	Direct greenhouse gas (GHG) emissions (Scope 1)	tons of CO2 equivalent	951.86
7	Indirect greenhouse gas emissions (Scope 2)	tons of CO2 equivalent	17802.16
8	Scope 3 greenhouse gas emissions (excluding carbon accounting for investment and financing)	tons of CO2 equivalent	7193.44
9	Scope 3 greenhouse gas emissions (including carbon accounting for investment and financing)	tons of CO2 equivalent	242192.66
10	Greenhouse gas emissions from investment and financing businesses	tons of CO2 equivalent	234999.21
11	Greenhouse gas emission (Scope 1+ Scope 2) intensity (by floor area of business premises)	tons CO2e/m²	0.08
Energy Consumption			
12	Total electricity consumption	MWh	16874.09
13	Total electricity consumption intensity (by floor area of business premises)	MWh/m²	0.07
14	Gasoline Consumption	Liter	122280.08

No.	Indicator Name	Unit	2025
Water consumption			
15	Total water consumption	m³	90623.55
16	Total water consumption density (by floor area of business premises)	m³/m²	0.38
Waste emissions			
17	Generation of waste computers	unit	435
18	Recycling volume of waste computers	unit	395
19	Generation of waste toner cartridges/ink cartridges	unit	3718
20	Recycling volume of waste toner cartridges/ink cartridges	unit	1604
21	Generation of waste batteries	unit	644
22	Waste batteries recycled	unit	180
23	Non-hazardous waste generation (mainly food waste)	ton	95.12
24	Non-hazardous waste density (by number of employees)	kg/person	24.20
Green Operations			
25	Total paper consumption	ton	80.88
26	Paper consumption intensity (by number of employees)	tons/person	0.02
27	Paper saved through electronic statements	ton	1.92
28	Comprehensive signing rate of electronic reconciliation	%	97.67
29	Number of WeChat banking customers	10,000 households	39.15

ESG Performance Table (Continued)

No.	Indicator Name	Unit	2025
30	Number of personal mobile banking customers	10,000 households	405.93
31	Total number of meetings	10,000 times	1.3
32	Number of video conferences held	10,000 times	0.65
Green Finance			
33	Total balance of green credit	RMB'100 million	562.10
34	Percentage of total green credit	%	23.42
35	Balance of green bonds held	RMB'100 million	65.48
36	Cumulative issuance of green bonds	RMB'100 million	90
37	Cumulative investment in green bonds	RMB'100 million	23.50
38	Loan balances for the “eight major high-carbon” industries	RMB'100 million	115.48
39	Proportion of loans to the “eight major high-carbon” industries	%	4.81
40	Water savings equivalent to changes in green credit amount	ton	7902625.65
41	Change in green credit amount equivalent to reduction in nitrogen oxide emissions ¹⁸	ton	569.7
42	Change in green credit amount equivalent to a reduction in sulfur dioxide emissions ¹⁸	ton	3349.73

No.	Indicator Name	Unit	2025
43	Change in green credit amount equivalent to a reduction in ammonia nitrogen emissions	ton	0
44	Change in green credit amount equivalent to a reduction in chemical oxygen demand	ton	0
45	Change in green credit amount equivalent to reduction in carbon dioxide equivalent emissions	ton	258910.58
46	Change in green credit amount equivalent to reduction in standard coal	ton	126679.52
47	Percentage of loans vulnerable to climate-related transition risks ¹⁷	%	4.81
48	Proportion of loans vulnerable to climate-related physical risks ¹⁸	%	5
49	Percentage of loans related to climate-related opportunities ¹⁹	%	4.81
50	Percentage of total loans to sectors vulnerable to nature-related transition risks as a proportion of total assets ²⁰	%	8.46
51	Percentage of total loans to industries vulnerable to nature-related physical risks as a proportion of total assets ²¹	%	8.71
52	Significant fines/penalties/litigation activities received due to nature-related negative impacts	case	0
53	Total loans to nature-related high-dependency and high-impact industries/as a percentage of total loans ²²	%	2.02
54	Proportion of loan balance with a significant positive impact on nature ²³	%	3.16

¹⁷

The sectors identified by the Bank as being susceptible to climate-related transition risks are the eight major high-carbon industries.

¹⁸

Results derived from climate risk stress tests.

¹⁹

The Bank has identified loans related to climate-related opportunities in the eight major carbon-intensive industries.

²⁰

The industry identified by the Bank as being susceptible to nature-related transition risks is the manufacturing industry.

²¹

The industries identified by the Bank as being susceptible to nature-related physical risks are the agriculture, forestry, animal husbandry and fishery industry and the water conservancy, environment and public facilities management industry.

²²

The nature-related high-dependency and high-impact industry identified by the Bank is the agriculture, forestry, animal husbandry and fishery industry.

²³

The balance of loans identified by the Bank as having a significant positive impact on nature refers to the balance of loans that comply with the PBOC’s “Biodiversity Finance Catalog (Trial Version)”.

ESG Performance Table (Continued)

Social Key Performance Indicators

No.	Indicator Name	Unit	2023	2024	2025
Recruitment and Employment					
1	Total Number of Employees	person	3,319	3,459	3,934
Number of employees by gender:					
2	Number of female employees	person	1,872	1,936	2,202
3	Number of male employees	person	1,447	1,523	1,732
Number of Employees by Age Group:					
4	Number of employees: under 30	person	662	805	1,073
5	Number of employees: 30–50	person	2,479	2,464	2,652
6	Number of employees: over 50	person	178	190	209
Number of Employees by Position Level:					
7	Number of junior-level employees	person	2,410	2,485	2,839
8	Number of middle management	person	899	963	1,084
9	Number of senior management	person	10	11	11
Number of employees by region:					
10	Number of employees in Shandong Province	person	3,069	3,215	3,627
11	Number of employees outside Shandong Province	person	250	244	307
Employee turnover rate by gender:					
12	Employee turnover rate: female employees	%	5.1	3.5	2.4
13	Employee turnover rate: male employees	%	8.9	4.7	3.9

No.	Indicator Name	Unit	2023	2024	2025
Employee turnover rate by age:					
14	Employee turnover rate: aged under 30	%	11	8.9	5.5
15	Employee turnover rate: aged 30–50	%	6	2.6	2.3
16	Employee turnover rate: aged over 50	%	1.1	1.1	0.5
Employee turnover rate by geographical region:					
17	Employee turnover rate: within Shandong Province	%	6.8	4.2	3.1
18	Employee turnover rate: outside Shandong Province	%	6.8	2	2
Training and Development					
19	Percentage of employees trained: Female employees	%	100	100	100
20	Percentage of employees trained: male employees	%	100	100	100
21	Percentage of employees trained: Junior-level employees	%	100	100	100
22	Percentage of employees trained: Middle management	%	100	100	100
23	Percentage of employees trained: Senior management	%	100	100	100
24	Average training hours per employee: Female	Hours	42	43	43.5
25	Average training hours per employee: Male	Hours	42	43	43.5
26	Average training hours per employee: Junior-level employees	Hours	42	43	43.5
27	Average training hours per employee: Middle Management	Hours	42	43	43.5
28	Average training hours per employee: Senior management	Hours	42	43	43.5

ESG Performance Table (Continued)

No.	Indicator Name	Unit	2023	2024	2025
Occupational Health and Safety					
29	Number of work-related fatalities in the past 3 years (including the current year)	person	0	0	0
30	Rate of work-related fatalities in the past 3 years (including the current year)	%	0	0	0
31	Days lost due to work-related injury	Days	264.5	228.5	196
Work-Life Balance					
32	Employee satisfaction	%	100	100	100
33	Number of meetings of the Trade Union Members' Representative Congress, the Plenary Committee, and the Workers' Representative Congress	time(s)	1	3	1
34	Employee support amount	RMB'10,000	5.9	3.72	4.4
Public Welfare and Charity					
35	Number of beneficiaries of public welfare and charity programs	person	349	327	531
36	Charitable donations	RMB'10,000	18	18	25
Inclusive Finance					
37	Balance of loans to inclusive finance	RMB'100 million	296.87	317.71	356.31
38	Balance of loans to small and medium enterprises	RMB'100 million	1,186.06	1,267.22	1,519.6
39	Proportion of loans to small and medium-sized enterprises	%	84.49	85.58	87.37
40	Balance of loans to small and micro enterprises	RMB'100 million	778.27	873.19	1,054.04
41	Proportion of loans to small and micro enterprises	%	55.44	58.97	60.6
42	Number of SME loan customers	household	8,535	9,136	11,162
43	Number of small and micro business loan customers	household	8,236	8,817	10,791
44	Number of specialized institutions for small and micro enterprises	unit	1	1	1

No.	Indicator Name	Unit	2023	2024	2025
Agro-related finance					
45	Balance of agriculture-related loans	RMB'100 million	193.85	248.62	300.19
46	Balance of farmer loans	RMB'100 million	33.4	40.55	44.63
47	Loan balance for rural enterprises and various organizations	RMB'100 million	115.09	145.16	192.57
48	Balance of agriculture-related loans to urban enterprises and various organizations	RMB'100 million	44.8	62.16	62.36
49	Balance of other agriculture-related loans	RMB'100 million	0.56	0.75	0.63
50	Ratio of the balance of agriculture-related loans to the balance of total loans	%	10.20	11.82	13.22
51	Balance of inclusive assistance	RMB'100 million	296.87	317.71	356.31
Technology Finance					
52	Balance of technology enterprise loans	RMB'100 million	50.95	101.14	172.11
53	Loan balance for “Specialized, Refined, Unique and Innovative” small and medium-sized enterprises	RMB'100 million	52.03	63.96	85.16
54	Number of technology enterprise customers served	household	863	1,406	2,110

ESG Performance Table (Continued)

Governance Key Performance Indicators

No.	Indicator Name	Unit	2023	2024	2025
Corporate Governance					
1	Number of Party members trained	person	1,049	1,051	1126
2	Number of Members of the Board	person	15	15	14
3	Number of male directors	person	12	12	12
4	Number of female directors	person	3	3	2
5	Number of Executive Directors	person	5	5	4
6	Number of Non-executive Directors	person	4	4	4
7	Number of employee directors	person	1	1	1
8	Number of independent directors	person	5	5	5
9	Number of general meetings	time(s)	1	3	4
10	Number of proposals considered or heard at the general meeting	unit	13	19	20
11	Number of meetings of Board of Directors	time(s)	4	6	6
12	Number of proposals considered or heard by the Board of Directors	unit	60	82	106
13	Average attendance rate at Board of Directors meetings	%	98	98	92
14	Number of periodic reports, ad hoc announcements and corporate governance documents disclosed during the reporting period	copy	38	65	68

No.	Indicator Name	Unit	2023	2024	2025
Business Ethics and Anti-corruption					
15	Number of concluded legal cases regarding corruption	unit	0	0	0
16	Number of anti-corruption training sessions	time(s)	/	/	6
17	Number of person-times covered by anti-corruption training	10,000 person-times	1.24	1.34	1.4
18	Number of anti-money laundering training sessions	time(s)	23	123	238
19	Number of person-times covered by anti-money laundering training	person-times	5,475	5,204	13047
20	Number of large-value transaction reports submitted	10,000 copies	38	38	42
21	Number of suspicious transaction reports submitted	copy	1,935	1,327	676
22	Number of concluded corruption litigation cases filed against the Bank or its employees	case	0	0	0
23	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	RMB'10,000	0	0	0
Compliance Operations					
24	Number of compliance and case prevention warning education and training sessions	time(s)	7	8	7
25	Training hours for compliance and case prevention warning education	Hours	30	35	34
26	Coverage rate of compliance and case prevention warning education and training	%	100	100	100
27	Number of participants in compliance and case prevention warning education examinations	10,000 person-times	2.54	2.64	3.05

ESG Performance Table (Continued)

No.	Indicator Name	Unit	2023	2024	2025
Party Building					
28	Number of primary-level party committees under the Party Committee of the Head Office	unit	18	19	19
29	Number of General Party Branches	unit	3	3	3
30	Number of Party branches	unit	73	75	77
31	Number of Communist Party members	person	1,049	1,051	1126
Employment and Labor Standards					
32	Number of confirmed incidents of discrimination	case	0	0	0
33	Number of confirmed incidents of forced labor	case	0	0	0
34	Number of confirmed incidents of child labor	case	0	0	0
Improving Products and Services					
35	Number of online banking customers	10,000 households	65.31	69.77	75.99
36	Number of telephone banking customers	10,000 households	27.81	28.27	28.64
37	Number of personal mobile banking customers	10,000 households	319.40	380.78	405.93
38	Number of WeChat banking customers	10,000 households	28.98	35.01	39.15
39	Number of Self-Service Bank Outlets	unit	129	130	131
40	Manual telephone banking service volume	10,000 person-times	14.15	18.10	19.58
41	Number of smart counters	unit	228	239	247
42	Number of outlets covered by smart counters	unit	117	117	121
43	Smart counter coverage	%	93.6	92.86	95.28
44	Remote financial service volume	10,000 person-times	5.78	6.55	10.8
45	E-banking channel substitution rate	%	86.68	86.18	84.35

No.	Indicator Name	Unit	2023	2024	2025
Information Security and Data Security					
46	Number of information security training sessions	time(s)	11	224	232
47	Number of information security training attendees	person-times	4,054	13,276	15521
48	Number of material information security and customer privacy leakage incidents	case	0	0	0
49	Percentage of material information security and customer privacy leakage incidents involving personally identifiable information (PII)	%	0	0	0
50	Number of account holders affected by material information security and customer privacy leakage incidents	case	0	0	0
Intellectual Property Protection					
51	Number of intellectual property rights	case	6	6	6
Protection of Consumer Rights and Interests					
52	Customer satisfaction	%	100	100	100
53	Customer complaint handling rate	%	100	100	100
54	Number of customer complaints	case	59	47	25
55	Complaint resolution rate	%	100	100	100
56	Number of training sessions on protecting customer rights, interests and privacy	time(s)	9	7	8
57	Number of person-times covered by training on protection of customer rights, interests and privacy	person-times	557	562	600
58	Expenditure on protection of consumer rights and interests	RMB'10,000	21	18	27
59	Cumulative number of financial knowledge popularization	time(s)	4	4	4
60	Number of customers reached by financial knowledge popularization	10,000 person-times	50	46	60

ESG Performance Table (Continued)

No.	Indicator Name	Unit	2023	2024	2025
Supplier Management					
61	Supplier review coverage rate	%	100	100	100
62	Total number of suppliers	unit	197	118	4187
63	Number of suppliers by geographical region – Mainland China	unit	197	118	4187
64	Number of suppliers by geographical region – Overseas	unit	0	0	0
Digital Talent Construction					
65	Number of R&D personnel in digital finance-related departments	person	122	118	130
66	Number of information technology-related training sessions	session	17	18	41
67	Number of person-times covered by information technology-related training	person-times	910	996	1128
Social Contributions					
68	Tax contribution	RMB'100 million	15.75	17.14	18.54

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Content Index of the Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited

Section B: Mandatory Disclosure Requirements

Disclosure	Specific requirements	Disclosure location
Governance Structure	A statement from the board of directors containing the following: (i) a disclosure of the board’s oversight of ESG issues;	P08-P09
	(ii) The board’s ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer’s businesses); and	P08-P09
	(iii) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	P08-P09
Reporting Principles	A description or explanation of how the following reporting principles are applied in the preparation of the ESG report:	
	Materiality: The ESG Report should disclose: (i) the process to identify, and the criteria for the selection of, material ESG factors; (ii) If the issuer has conducted stakeholder engagement, a description of the significant stakeholders identified and the process and results of the issuer’s stakeholder engagement.	P89
	Quantification: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	P89
	Consistency: The issuer should disclose in the ESG report any changes to the statistical methods used, or any other relevant factors affecting a meaningful comparison.	P89
Reporting Boundary	An explanation of the reporting boundary of the ESG report and a description of the process used to identify which entities or operations are included in the ESG report. If there is a change in the boundary, the issuer should explain the difference and reason for the change.	P89

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Part C: “Comply or explain” provisions

Subject Areas, Aspects, General Disclosures and KPIs			Disclosure location
A. Environmental			
Aspect A1: Emissions	General Disclosure: Policies on: emissions of exhaust gasses and greenhouse gasses, discharges into water and land, and the generation of hazardous and non-hazardous waste. (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. <i>Note:</i> Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.		P12-P13
	A1.1	The types of emissions and respective emissions data.	P63
	A1.3	Total hazardous waste produced (in tons) and, where applicable, intensity (e.g. per unit of production, per facility).	P63
	A1.4	Total non-hazardous waste produced (in tons) and, where applicable, intensity (e.g. per unit of production, per facility).	P63
	A1.5	Description of the emissions target(s) set and steps taken to achieve them.	P12, P16
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P12, P16
	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note:</i> Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		P12
Aspect A2: Use of Resources	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ‘000s) and intensity (e.g. per unit of production, per facility).	P63
	A2.2	Water consumption in total and intensity (e.g. per unit of production, per facility).	P63
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P12, P16
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P12, P16
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Irrelevant

Subject Areas, Aspects, General Disclosures and KPIs			Disclosure location
Aspect A3: The Environment and Natural Resources	General disclosure: Policies on minimizing the issuer’s significant impact on the environment and natural resources.		P12
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P13, P15, P16, P20, P27-P31
B. Social			
Employment and Labor Practices			
Aspect B1: Employment	General Disclosure: Policies on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		P49-P51
	B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	P65
	B1.2	Employee turnover rate by gender, age group and geographical region.	P65
	General Disclosure: Policies on providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		P50
Aspect B2: Health and Safety	B2.1	Number and rate of work-related fatalities that occurred in each of the past three years including the reporting year.	P66
	B2.2	Lost days due to work injury.	P66
	B2.3	Description of occupational health and safety measures adopted, and relevant implementation and monitoring methods.	P50
Aspect B3: Development and Training	General disclosure: Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. <i>Note:</i> Training refers to vocational training, which may include internal and external courses paid for by the employer.		P49
	B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	P65
	B3.2	Average training hours completed per employee by gender and employee category.	P65

ESG Index (Continued)

Subject Areas, Aspects, General Disclosures and KPIs			Disclosure location
Aspect B4: Labor Standards	General Disclosure: Concerning the prevention of child or forced labor: (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		P50
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	P50, P68
	B4.2	Description of steps taken to eliminate such practices when discovered.	P62
Operating Practices			
Aspect B5: Supply Chain Management	General disclosure: Policies on managing environmental and social risks of the supply chain.		
	B5.1	Number of suppliers by geographical region.	P69
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P17, P69
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P17
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P17
Aspect B6: Product Responsibility	General Disclosure: Policies on health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		Irrelevant
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Irrelevant
	B6.2	Number of products and service related complaints received and how they are dealt with.	P46
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	P62
	B6.4	Description of quality assurance process and recall procedures.	Irrelevant
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	P47

Subject Areas, Aspects, General Disclosures and KPIs			Disclosure location
Aspect B7: Anti-corruption	General Disclosure: Policies on preventing bribery, extortion, fraud and money laundering: (a) the policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		P61-P62
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P67
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P62
	B7.3	Description of anti-corruption training provided to directors and employees.	P67
Community			
Aspect B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		P53
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P53
	B8.2	Resources contributed (e.g., money or time) to the focus area.	P53

ESG Index (Continued)

Part D: Climate-related Disclosures

Specific Climate-related Disclosure Requirements	Disclosure location
(I) Governance	
(a) Information on the governance body (which may include the board, a committee, or other equivalent governance body) or individual responsible for overseeing <i>climate-related risks and opportunities</i> . Specifically, the issuer shall identify the relevant body or individual and disclose the following information:	
Note: The responsibilities of such body or individual should be reflected in its/his/her terms of reference, mandate, role description and other related policies applicable to such body or individual.	
(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to <i>climate-related risks and opportunities</i> ;	P08
(ii) how and how often the body(s) or individual(s) is informed about <i>climate-related risks and opportunities</i> ;	P08
(iii) how the body(s) or individual(s) takes into account <i>climate-related risks and opportunities</i> when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those <i>climate-related risks and opportunities</i> ;	P08
(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to <i>climate-related risks and opportunities</i> (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	P08
(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee <i>climate-related risks and opportunities</i> , including information about:	P08
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	P08
(ii) whether management uses controls and procedures to support the oversight of <i>climate-related risks and opportunities</i> and, if so, how these controls and procedures are integrated with other internal functions.	P08
Note: When making disclosures in accordance with the requirements of paragraph 19, the issuer shall avoid unnecessary duplication with the content disclosed in accordance with paragraph 13 of this Guide. For example, while an issuer shall provide the information required by this paragraph 19, if an issuer centrally manages the oversight of ESG-related (including climate-related) risks and opportunities, integrated governance disclosures shall be made instead of separate disclosures for each ESG-related risk and opportunity, thereby reducing repetitive disclosures.	

Specific Climate-related Disclosure Requirements	Disclosure location
(II) Strategy	
<i>Climate-related risks and opportunities</i>	
An issuer shall disclose information that enables an understanding of the <i>climate-related risks and opportunities</i> that it reasonably expects could affect its cash flows, access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
(a) describe <i>climate-related risks and opportunities</i> that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	P21-P23
(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a <i>climate-related physical risk</i> or <i>climate-related transition risk</i> ;	P21-P23
(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	P21-P23
(d) explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	P21-P23
Note:	
1. In identifying climate-related risks and opportunities in accordance with paragraph 20:	
(a) an issuer must use all reasonable and supportable information that is available to the issuer at the reporting date without undue cost or effort, including information about past events, current conditions and forecasts of future conditions; and	
(b) the Exchange encourages issuers to refer to and consider the applicability of the industry-based disclosure topics defined in the Industry-based Guidance on Implementing IFRS S2.	
2. (a) An issuer may omit information about climate-related opportunities required by any provision of this Part D if the issuer determines that such information is commercially sensitive in the limited circumstances set out in Note 2(b) below.	
(b) An issuer qualifies for the exemption described in Note 2(a) above only if:	
(i) the information about the climate-related opportunity is not already publicly available;	
(ii) disclosure of that information could reasonably be expected to prejudice seriously the economic benefits the issuer would otherwise be able to realize in pursuing the opportunity; and	
(iii) the issuer has determined that it is not possible to disclose the information in a manner (for example, at an aggregated level) that would achieve the objective of the disclosure requirements without prejudicing seriously the economic benefits the issuer would otherwise be able to realize in pursuing the opportunity.	
(c) If an issuer elects to use the exemption described in Note 2(a) above, the issuer shall, for each item of information omitted:	
(i) disclose the fact that it has used the exemption; and	
(ii) reassess at each reporting date whether the information continues to qualify for the exemption.	

ESG Index (Continued)

Specific Climate-related Disclosure Requirements	Disclosure location
Business model and value chain	
The issuer shall disclose information that enables an understanding of the current and anticipated effects of <i>climate-related risks and opportunities</i> on its <i>business model</i> and <i>value chain</i>. Specifically, the issuer shall make the following disclosure:	
(a) a description of the current and anticipated effects of <i>climate-related risks and opportunities</i> on the issuer's business model and value chain; and (b) describe where in the issuer's business model and <i>value chain</i> climate-related risks and opportunities are concentrated (e.g., geographical areas, facilities and types of assets).	P21-P23 P21-P23
Note: The issuer shall use all reasonable and supportable information that is available to it at the reporting date without undue cost or effort to determine the scope of its value chain, including its coverage and composition.	
Strategy and decision-making	
The issuer shall disclose information that enables an understanding of the impact of <i>climate-related risks and opportunities</i> on its strategy and decision-making. Specifically, the issuer shall disclose:	
(a) information about how the issuer has responded to, and plans to respond to, <i>climate-related risks and opportunities</i> in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose the following information: (i) current and anticipated changes to the issuer's <i>business model</i>, including its resource allocation, to address <i>climate-related risks and opportunities</i>. (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect). (iii) any <i>climate-related transition plan</i> the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan. (iv) how the issuer plans to achieve any climate-related targets (including any <i>greenhouse gas</i> emissions targets (if any)) described in paragraphs 37 to 40. (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	P20, P26 P21-P23 P21-P23 P20, P26 P20, P26 P20, P26
An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	P20, P26

Specific Climate-related Disclosure Requirements	Disclosure location
Financial position, financial performance and cash flows Current financial effects The issuer shall provide qualitative and quantitative disclosures about: (a) how <i>climate-related risks and opportunities</i> have affected the issuer's financial position, financial performance and cash flows for the reporting period. (b) the <i>climate-related risks and opportunities</i> identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements. Note: 1. Issuers shall disclose climate-related matters in their financial statements in accordance with the requirements of Hong Kong Financial Reporting Standards, International Financial Reporting Standards, China Accounting Standards for Business Enterprises or other overseas financial reporting standards accepted by the Exchange. 2. If the quantitative information disclosed pursuant to paragraph 24 above is not presented as a separate line item in the financial statements, the issuer must explain how such information is reflected in its financial statements (for example, by identifying the relevant financial line items).	P21-P23 P21-P23
Anticipated financial effects (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage <i>climate-related risks and opportunities</i>, taking into consideration its investment and disposal plans: (i) its investment and disposal plans; and (ii) the planned sources of funding for the funds required to implement the strategy; and	P21-P23 P25 P25

ESG Index (Continued)

Specific Climate-related Disclosure Requirements	Disclosure location
(b) based on the issuer’s strategy for managing <i>climate-related risks and opportunities</i>, the changes it expects in its financial performance and cash flows over the short, medium and long term. Note: 1. When providing quantitative information on current or anticipated financial effects, the issuer may disclose a single amount or a range. 2. In preparing the disclosure of the anticipated financial effects of climate-related risks or opportunities, an issuer shall: (a) use all reasonable and supportable information that is available to the issuer at the reporting date without undue cost or effort; and (b) use an approach that is commensurate with the issuer’s existing skills, capabilities and resources to prepare the disclosure. 3. An issuer is not required to provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity if the issuer determines that: (a) those effects are not separately identifiable; or (b) the level of uncertainty involved in measuring those effects is so high that the resulting quantitative information would not be meaningful. 4. In addition, if an issuer does not have the skills, capabilities or resources to provide quantitative information on the anticipated financial effects of climate-related risks or opportunities, it is not required to provide quantitative information on the anticipated financial effects. 5. If an issuer determines that it is not required to provide quantitative information on the current or anticipated financial effects of climate-related risks or opportunities based on the criteria in Note 3 or 4 above, the issuer must: (a) explain why the quantitative information is not provided; (b) provide qualitative information about these financial effects, including identifying the line items, totals and subtotals in the relevant financial statements that are likely to be or have been affected by climate-related risks or opportunities; and (c) provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors, unless the issuer determines that quantitative information about the combined financial effects would not be useful.	P21-P23

Specific Climate-related Disclosure Requirements	Disclosure location
Climate resilience After considering the <i>climate-related risks and opportunities</i> it has identified, the issuer must disclose information to enable others to understand the resilience of the issuer’s strategy and <i>business model</i> to climate-related changes, developments or uncertainties. An issuer shall use climate-related scenario analysis to assess its <i>climate resilience</i> in a manner that is proportionate to its circumstances. When providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer’s assessment of its <i>climate resilience</i> as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer’s assessment for its strategy and <i>business model</i>, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis. (ii) the significant areas of uncertainty considered in the issuer’s assessment of its <i>climate resilience</i>. (iii) the issuer’s capacity to adjust, or adapt its strategy and <i>business model</i> to climate change over the short, medium or long term. (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with <i>climate-related transition risks</i> or <i>climate-related physical risks</i>; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the <i>latest international agreement on climate change</i>; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out. Note: The issuer must determine its method for conducting climate-related scenario analysis in a manner that enables it to take into consideration all reasonable and supportable information that is available to the issuer at the reporting date without undue cost or effort. The determination of which method to use shall be based on the issuer’s assessment of the <i>climate-related risks and opportunities</i> it faces, as well as its available skills, capabilities, and resources.	P21-P23 P21-P23 P21-P23 P21-P23 P24-P25 P24-P25 P24-P25 P24-P25 P24-P25 P24-P25 P24-P25 P24-P25 P24-P25

ESG Index (Continued)

Specific Climate-related Disclosure Requirements	Disclosure location
(III) Risk management	
The issuer shall disclose the following information:	
(a) the processes and related policies the issuer uses to identify, assess, prioritize and monitor climate-related risks, including information about:	
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	P24-P25
(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	P24-P25
(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	P21-P23
(iv) whether and how the issuer prioritizes climate-related risks relative to other types of risks;	Not disclosed in this report
(v) how the issuer monitors climate-related risks; and	P08
(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	No change
(b) the processes the issuer uses to identify, assess, prioritize and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	P21-P23, P24-P25
(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	P12
Note: When making disclosures to comply with the requirements in this paragraph 27, an issuer shall avoid unnecessary duplication with disclosures made under paragraph 13(ii) and paragraph 14 (Materiality) of this Guide. For example, while an issuer shall provide the information required by this paragraph 27, if the issuer centrally manages the oversight of ESG-related (including climate-related) risks and opportunities, it shall provide integrated risk management disclosures rather than disclosing each ESG-related risk and opportunity separately, thereby reducing repetitive disclosures.	

Specific Climate-related Disclosure Requirements	Disclosure location
(IV) Metrics and targets	
Greenhouse gas emissions	
The issuer shall disclose the total absolute greenhouse gas emissions (expressed in metric tons of CO2 equivalent) during the reporting period, categorized into:	
(a) Scope 1 greenhouse gas emissions;	P15
(b) Scope 2 greenhouse gas emissions; and	P15
(c) Scope 3 greenhouse gas emissions.	P13, P15
The issuer shall: unless otherwise required by the relevant authorities or another exchange on which the issuer is listed, the issuer shall measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004);	
(b) disclose the approach it uses to measure its greenhouse gas emissions including:	P13, P15
(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	P13, P15
(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	P13, P15
(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	P13, P15
(c) in respect of the Scope 2 greenhouse gas emissions disclosed under paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions , and provide information on any contractual instruments necessary to understand such emissions; and	P13, P15
(d) In respect of the Scope 3 greenhouse gas emissions disclosed under paragraph 28(c), disclose the categories included in the issuer’s measurement of Scope 3 greenhouse gas emissions in accordance with the Scope 3 categories described in the “Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard (2011)”.	P13, P15
Note:	
1.	In selecting the measurement approach, inputs and assumptions to be used in measuring its Scope 3 greenhouse gas emissions , an issuer shall use all reasonable and supportable information that is available to the issuer at the reporting date without undue cost or effort.
2.	When an issuer measures its greenhouse gas emissions in accordance with the provisions of paragraph 28, it may also use information from a reporting period that is different from its own reporting period, provided that such information is obtained from entities in its value chain whose reporting periods differ from that of the issuer, and the following conditions are met:
(a)	the issuer uses the most recent available data from these entities in its value chain (which can be obtained without undue cost or effort) to measure and disclose its greenhouse gas emissions;
(b)	the length of the reporting periods is the same; and
(c)	the issuer discloses the effects of significant events and changes in circumstances related to its greenhouse gas emissions that occurred between the reporting date of the entities in its value chain and the date of the issuer’s ESG report.
3.	If the issuer’s activities include asset management, commercial banking or insurance, the Exchange encourages the issuer to disclose additional information regarding its Category 15 greenhouse gas emissions or those related to its investments (financed emissions).

ESG Index (Continued)

Specific Climate-related Disclosure Requirements	Disclosure location
Climate-related transition risks	
The issuer shall disclose the amount and percentage of assets or business activities vulnerable to <i>climate-related transition risks</i> .	P64
Climate-related physical risks	
The issuer must disclose the amount and percentage of assets or business activities vulnerable to <i>climate-related physical risks</i> .	P64
Climate-related opportunities	
The issuer shall disclose the amount and percentage of assets or business activities involving climate-related opportunities.	P64
Note: When an issuer makes disclosures to comply with the requirements of paragraphs 30 to 32, it shall use all reasonable and supportable information that is available at the reporting date without undue cost or effort.	
Capital deployment	
The issuer shall disclose the amount of capital expenditure, financing or investment deployed towards <i>climate-related risks and opportunities</i> .	P25
Internal carbon pricing	
The issuer shall disclose the following:	
(a) explain whether and how the issuer may apply carbon pricing in decision-making (such as investment decisions, transfer pricing and scenario analysis); and	P24
(b) the pricing per metric ton of <i>greenhouse gas</i> emissions used by the issuer to assess the cost of its <i>greenhouse gas</i> emissions; or an appropriate negative statement confirming that the issuer does not apply carbon pricing in its decision-making.	P24
Remuneration	
The issuer must disclose whether and how climate-related considerations are incorporated into its remuneration policy, or provide an appropriate negative statement. This may constitute part of a disclosure made pursuant to paragraph 19(a)(iv).	P09
Industry-based metrics	
The Exchange encourages issuers to disclose sector-specific metrics relating to one or more specific <i>business models</i> and activities, or sector-specific metrics relating to participation in common features of the relevant sector. In deciding which industry-based metrics to disclose, the Exchange encourages issuers to refer to the industry-based metrics related to the disclosure topics as set out in the Industry-based Guidance on Implementing IFRS S2 Climate-related Disclosures and industry-based disclosure requirements prescribed by other international environmental, social and governance reporting frameworks, and consider their applicability.	

Specific Climate-related Disclosure Requirements	Disclosure location
Climate-related targets	
The issuer shall disclose (a) the climate-related qualitative and quantitative targets it has set for monitoring progress towards achieving its strategic objectives; and (b) any targets that the issuer is required by law or regulation to meet, including any <i>greenhouse gas</i> emissions targets. The issuer shall disclose in respect of each target on a case-by-case basis:	P20, P26
(a) metrics used to set targets;	P20, P26
(b) the purpose of the targets (for example, mitigation, adaptation or science-based initiatives);	P20, P26
(c) the scope of the targets (for example, whether the targets apply to the issuer’s entire group or a portion thereof (such as only to a certain business unit or geographical region));	P20, P26
(d) the period over which the target applies;	P20, P26
(e) the base period from which progress is measured;	P20, P26
(f) milestones or interim targets (if any);	P20, P26
(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	P20, P26
(h) how the <i>latest international agreements on climate change</i> (including judicial commitments arising from such agreements) help the issuer set targets.	P20, P26
Note: The relevant targets are not necessarily the indicators under Key Performance Indicators A1.5, A1.6, A2.3 and A2.4 of Part C of this Guide.	
An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	P20, P26
(a) whether the target and the methodology for setting the target has been validated by a third party;	Nil
(b) the issuer’s processes for reviewing the target;	P20, P26
(c) the metrics used to monitor progress towards reaching the target; and	P20, P26
(d) the content of and reasons for any revision of the targets.	P20, P26
An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance.	P20, P26

ESG Index (Continued)

Specific Climate-related Disclosure Requirements	Disclosure location
For each <i>greenhouse gas</i> emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
(a) which <i>greenhouse gasses</i> are covered by the target;	P20, P26
(b) whether <i>Scope 1, Scope 2 or Scope 3 greenhouse gas emissions</i> are covered by the target;	P20, P26
(c) whether the target is a total <i>greenhouse gas</i> emissions target or a net <i>greenhouse gas</i> emissions target. In the case of a net <i>greenhouse gas</i> emissions target, the issuer shall additionally disclose the relevant total <i>greenhouse gas</i> emissions target;	P20, P26
(d) whether the target was derived using a sectoral decarbonisation approach; and	P20, P26
(e) the issuer’s planned use of carbon credits to offset greenhouse <i>gas emissions</i> to achieve any net <i>greenhouse gas</i> emissions target. In respect of the plan for the use of carbon credits, the issuer shall disclose:	
(i) the extent to which, and how, achieving any net <i>greenhouse gas</i> emissions target relies on the use of <i>carbon credits</i> ;	No relevant plans for the time being
(ii) which third-party scheme(s) will verify or certify the <i>carbon credits</i> ;	
(iii) the type of <i>carbon credit</i> , including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
(iv) any other factors necessary to enable an understanding of the credibility and integrity of the <i>carbon credits</i> the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
Cross-industry metrics and applicability of industry-based metrics	
In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	

Index of the Guidelines for Sustainability Information Disclosure by Financial Institutions (Trial Version) of the People’s Bank of China

Disclosure	Specific requirements	Disclosure location
1.1. Overview	a) Financial institutions shall provide an overview of the basic information of the financial institution. If the basic information of a financial institution has been disclosed in detail in periodic reports such as annual reports, the financial institution may provide a link to avoid unnecessary repetition. b) Financial institutions shall provide an overview of sustainability-related strategies, governance, policies and systems, business development, risk management, and work effectiveness, among others, during the reporting period.	P03 P04, P10, P36, P54
2. Strategic Planning	Financial institutions shall disclose sustainability-related strategic planning and implementation status, including following aspects: a) the strategic vision, strategic system, and mission objectives for sustainable development or green finance development, as well as the general approach and implementation status of incorporating environmental risks and opportunities into the overall strategic planning; b) disclose carbon emissions from investment and financing, green investment and financing, and carbon reduction targets for its own operations in a qualitative or quantitative manner, and periodically review the methodology for setting targets and monitor the progress of target implementation; c) the ideas, plans, progress, and other circumstances regarding supporting the development of a green, low-carbon, and circular economy, supporting the green and low-carbon transformation of key industries, and supporting the improvement of ecological environment quality and biodiversity protection; d) the logic, plans, work arrangements and progress in relation to the promotion of carbon peaking and carbon neutrality of its own operations; e) Environmental risk management system and mechanism construction plans, etc.	P11 P20 P11, P27 P20, P26 P11
3. Governance Structure and Governance Activities	Financial institutions shall disclose their sustainability-related corporate governance structures and the governance activities carried out, including following aspects: a) Governance structure. The organizational structure established at the levels of the board of directors, senior management, professional departments, and executive level based on the strategic objectives determined by strategic planning related to sustainable development or green finance, as well as the division of responsibilities, reporting lines, and decision-making mechanisms. Financial institutions shall specify whether they have the appropriate skills and competencies to oversee the response to sustainability-related risks and opportunities. b) Governance activities. Including but not limited to: the study and deliberation by the board of directors and relevant decision-making bodies on the setting of targets for sustainability-related topics, and the supervision and evaluation of the implementation of sustainability-related strategies; the conduct of special research on sustainability-related topics by the board of directors and senior management; the study and formulation of sustainability-related strategies and mechanisms, and the deliberation and approval of sustainability-related policies, systems, and risk management by senior management; the promotion, implementation, and effectiveness of sustainability-related work by professional departments and the executive level, and the incorporation of sustainability-related corporate governance into performance appraisals such as remuneration.	P08-P09 P08-P09

ESG Index (Continued)

Disclosure	Specific requirements	Disclosure location
4. Policies and Systems	Financial institutions shall disclose the formulation (revision) and implementation of their own policies and systems related to sustainable development, including following aspects:	
	a) green investment and financing policies, initiatives and mechanisms, including but not limited to the processes for identifying, assessing and monitoring green investment and financing opportunities;	P11
	b) systems and implementation status related to environmental risk management, including but not limited to the processes for identification, management, and assessment of environmental risks, and the integration with the comprehensive risk management of the institution;	P12
	c) institutional methods and working mechanisms for the management of carbon emissions from its own operations, including the steps and measures taken to achieve carbon reduction targets and realize efficient and economical utilization of resources, and relevant regulations on the disposal of waste from business activities;	P12
	d) assessment of material environmental issues concerned by stakeholders (including shareholders, investors, employees, the general public, etc.), as well as the management approaches and specific measures for cooperation with third-party organisations (such as procurement, outsourcing and other parties);	P06-P07
	e) implementation of national and regional environmental policies, laws, regulations and standards related to the institution, including the implementation in aspects such as investment and financing activities and its own operations;	P13
	f) compliance with and adoption of international conventions, frameworks, initiatives, etc. on climate and the environment relevant to the institution.	P13

Disclosure	Specific requirements	Disclosure location
5. Sustainability-related Risks and Opportunities	5.1 Description of Risks and Opportunities	
	Financial institutions disclose, qualitatively and/or quantitatively, the actual or potential impact of sustainability-related risks (such as physical risks and transition risks) and opportunities on their strategy and business through measures such as industry analysis, scenario analysis, or stress testing.	
	a) Financial institutions should disclose the identified short-, medium-, and long-term sustainability-related risks and opportunities and the reasons for their occurrence, and explain the definitions of short-, medium-, and long-term used by the financial institutions.	P21-P23, P32-P34
	b) Financial institutions should disclose the current and anticipated effects of sustainability-related risks and opportunities on their businesses, such as investment and financing, and their value chains, and describe where sustainability-related risks and opportunities are concentrated (such as geographical areas, facilities, and asset types).	P21-P23, P32-P34
	c) Financial institutions should disclose the measures taken and the effectiveness thereof in responding to the potential impacts of sustainability risks and opportunities, as well as the resources currently provided and planned to be provided by the financial institutions in the future.	P21-P23, P32-P34
	d) Financial institutions may disclose the impact of sustainability-related risks and opportunities on their assets and liabilities, financial performance, and cash flows, as well as the integration of sustainability-related risks and opportunities into financial planning.	P21-P23, P32-P34
	e) Financial institutions may disclose the expected changes in their financial position, financial performance, and cash flows over the short, medium, and long term based on relevant plans and strategies.	P21-P23, P32-P34
	5.2 Climate Change	
	a) Based on scenario analysis and/or stress testing, financial institutions shall assess and disclose the strategic resilience of their response to climate risks, including their adaptive capacity to transition risks and physical risks, such as extreme weather and green and low-carbon transition.	P24-P25
	b) Financial institutions shall disclose their emergency measures and disclosure mechanisms regarding climate change-related risk contingencies.	P25
	c) financial institutions may disclose the percentage of the amount of assets or business activities that are vulnerable to climate-related transition risks and physical risks;	P64
	d) Financial institutions may disclose the amount of capital expenditure, financing or investment deployed toward climate-related risks and opportunities.	P25

ESG Index (Continued)

Disclosure	Specific requirements	Disclosure location
6. Sustainability Information on Investment and Financing Activities of Financial Institutions	5.3 Biodiversity	
	a) Financial institutions shall disclose how they identify nature-related risks, including direct risks (such as land degradation and water stress) and indirect risks (such as natural capital dependencies in the supply chain).	P32-P35
	b) Financial institutions may disclose the proportion of assets in their investment portfolios related to high nature-risk sectors (e.g., agriculture, mining), as well as their dependencies on and impacts of ecosystem services. Relevant disclosures shall illustrate key benefits derived by assets from ecosystems such as water resources and land, together with associated impacts on ecosystems.	P64
	6.1 Impact of Investment and Financing Activities on Sustainable Development	
	a) Financial institutions shall provide an overview of their overall investment and financing activities and their impact on sustainable development.	P13
	b) Financial institutions shall support the green and low-carbon transition, and disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	P64
	c) Financial institutions may, based on the actual circumstances of data availability and data quality, calculate and disclose the carbon emissions from investment and financing (including total emissions and emissions of key industries or projects), as well as the proportion of carbon-disclosed assets in total assets. They shall specify the calculation methodology, input data and assumptions, and explain the rationale for methodology selection. Scientific and rigorous calculation methods should be adopted, and relevant results may be verified or assured by qualified third-party institutions.	P13, P64
	d) Financial institutions should formulate plans to increase the proportion of carbon emission reporting for investment and financing activities year by year, and disclose the implementation of such plans.	No relevant arrangements during the reporting period; corresponding plans will be formulated in the future.
	e) Financial institutions shall qualitatively or quantitatively disclose the direct and indirect impacts on biodiversity within their business activities, investment portfolios, and supply chains.	P28-31
	f) Financial institutions should disclose environmental risk assessment methodologies and systems for key clients with higher sustainability risks, the content of which may include information such as the source of such methodology or system (self-developed or provided by a third party) and core dimensions, as well as the implementation status during the reporting period.	P12

Disclosure	Specific requirements	Disclosure location
7. Sustainability-related Information on the Financial Institution's Own Operations	6.2 Environmental Benefits of Green Investment and Financing Activities	
	6.2.1 Environmental Benefits of Green Investment and Financing of Commercial Banks	
	Commercial banks shall disclose:	
	a) Overall performance of green loans and industry-specific loan conditions, together with year-on-year changes compared with previous years. Reference may be made to the statistical calibre set forth in the Catalogue of Green Finance Supported Projects (2025 Edition) and its future updated versions issued by the People's Bank of China, the State Administration of Financial Regulation and the China Securities Regulatory Commission;	P14
	b) Information on the investment, issuance, underwriting, and trading of sustainable development bonds such as green bonds, and the changes compared to previous years;	P15
	c) Information on other green investment and financing activities, and changes compared to previous years;	P15
	d) Environmental benefits of green loans, green bonds and other sustainable development themed bonds and other green investment and financing, and changes compared to previous years.	P64
	7.1 Carbon Emission Information of Own Operational Activities	
	a) Direct carbon emissions generated from its own operational activities. Direct greenhouse gas emissions generated by the business activities of the financial institution and the changes over the past three years, including but not limited to: emissions from stationary source fossil fuel combustion, such as heating boilers, hot water boilers and canteen stoves; mobile combustion, such as owned cars, busses, aircraft and ships for which energy costs are borne (if any); fugitive emissions, such as methane (CH4) fugitive emissions from wastewater treatment, fugitive emissions from fire extinguishers, fugitive emissions of air conditioning refrigerants, and fugitive emissions of sulfur hexafluoride (SF6) shielding gas for circuit breakers.	P15
	b) Indirect carbon emissions from its own operational activities. Indirect greenhouse gas emissions generated by the operations of the financial institution and the changes over the past three years, including but not limited to: emissions from purchased electricity, such as emissions from all power-consuming facilities within the organizational boundaries, such as data centers, office electricity consumption and electric vehicle electricity consumption; emissions from purchased heat and cooling sources, such as emissions from the use of purchased cooling sources by data centers; and carbon emissions generated by employee commuting and business travel, etc.	P15

ESG Index (Continued)

Disclosure	Specific requirements	Disclosure location
	7.2 Other Environmental Information on Own Operating Activities	
	a) Resource consumption saved or substituted through measures for the efficient utilization and conservation of resources, such as the development of online business, paperless office and energy-saving renovation of buildings, including water consumption (total volume, intensity and year-on-year savings), paper consumption (total volume of paper used for business and office operations and year-on-year savings), etc.	P63
	b) Generation and disposal of waste from its own operating activities, including changes over the past three years in electronic information products such as microcomputers (mainframes), monitors, laptops, printers and servers, as well as non-electronic information products such as office consumables, generated from operating activities.	P63
	c) The status of the green supply chain and its impact on sustainable development.	P17
	d) Impact of its own business activities on biodiversity, including following aspects: the impact of the selection of business premises on biodiversity, the impact of energy, water, and paper consumption at business premises on biodiversity, and the impact of procured materials on biodiversity.	P27
	e) Information on training activities or public welfare activities organized to enhance the sustainability awareness of employees and the general public, including the number of activities, number of participants, and social impact, etc.	P17
8. Research and Exchange Achievements	Financial institutions may disclose various domestic and international research, exchanges, and cooperation conducted around green finance, environmental risk analysis, and other aspects, including following aspects: a) external academic research projects led or participated in by financial institutions, or academic papers published; b) internal research projects and results carried out by financial institutions to serve green operations and development; c) relevant research results and the assistance to policy formulation after the transformation of results, as well as the economic, social, and environmental benefits brought about; d) climate and environmental or green finance international organizations joined, domestic and international conferences participated in, and domestic and foreign exchanges and cooperation, and results achieved.	P09

Disclosure	Specific requirements	Disclosure location
9. Typical Practices and Cases	Financial institutions may disclose representative green finance practices and cases, including but not limited to the following aspects: a) support biodiversity conservation; b) Green inclusive finance; c) construction of green finance reform and innovation pilot zones; d) construction of energy-saving and emission-reduction benchmark outlets; e) carbon account construction; f) construction of climate investment and financing pilots; g) applications and cases of supporting the low-carbon transition of customers in key industries (such as energy structure improvement, raw material reduction or substitution, thermal energy recovery, carbon capture and storage, etc.), including the innovative application of supporting low-carbon transition financing instruments (such as sustainability-linked and transition products); h) practical explorations in the disclosure of investment and financing projects or relevant industries, total carbon emissions of enterprises, total actual emissions of various pollutants, total generation and utilization/disposal of industrial solid waste and hazardous waste, and total emissions of toxic and hazardous substances, etc.; i) Other representative green finance practices.	P18-19, P26, P35
10. Other Sustainability-related Information	Financial institutions may disclose other information they deem appropriate for disclosure in addition to the above, such as the Legal Entity Identifier (LEI) of the financial institution.	None

ESG Index (Continued)

Index of the Guidelines for Environmental Information Disclosure of Financial Institutions of the People’s Bank of China

Disclosure	Specific requirements	Disclosure location
1. Annual Overview	Environmental-related target visions, strategic planning, policies, actions, and major achievements of the financial institution during the reporting year. such as carbon emission control targets and completion status resulting from its own business activities, resource consumption, pollutants and prevention and control, and mitigation of and adaptation to climate change.	P10
2. Environmental-related Governance of Financial Institutions	Environmental-related governance structure of financial institutions, including the following levels:	
	a) Information on the green finance-related committees established at the Board level, the environment-related strategic objectives of the institution formulated by such committees, the analysis and judgment of environment-related risks and opportunities, and the management, supervision, and discussion of environment-related issues.	P08
	b) The status of green finance-related management positions or internal departments established at the senior management level, and the primary responsibilities and reporting lines of such management positions or internal departments.	P08
	c) The implementation and effectiveness of green finance-related work by professional departments within their respective scopes of departmental responsibilities.	P08
3. Environmental-related Policies and Systems of Financial Institutions	Environment-related policies and systems followed by the financial institution, including but not limited to:	
	a) Environment-related internal management systems formulated by the financial institution, particularly new policies and new initiatives implemented during the reporting year.	P11-P12
	b) The status of the financial institution’s implementation of national and local environmental policies, laws, regulations, and standards related to the institution.	P13
	c) Compliance by financial institutions with the adoption of international conventions, frameworks, and initiatives related to climate and the environment that are relevant to the institutions.	P13
4. Innovation in Environment-related Products and Services of Financial Institutions	Innovation of environment-related products and services carried out by financial institutions, including but not limited to:	
	a) Information on green finance innovative products and services developed by financial institutions; taking credit products as an example, the disclosure content may include but is not limited to product name, scope of application, innovation points (source of repayment, target of issuance, interest rate, term, use of proceeds, etc.), operational model, and operational status.	P14-P15
	b) Environmental and social benefits of green product innovation by financial institutions.	P64, P14-15
5. Environmental Risk Management Processes of Financial Institutions	The process of environmental risk management for financial institutions, including but not limited to:	
	a) Processes for identifying and assessing environment-related risks.	P12
	b) Processes for managing and controlling environment-related risks.	P12

Disclosure	Specific requirements	Disclosure location
6. Impact of Environmental Factors on Financial Institutions	6.1 Environmental Risks and Opportunities for Financial Institutions	
	The actual and potential impacts of environment-related risks and opportunities on the business and strategy of financial institutions include, but are not limited to:	
	a) Short-, medium-and long-term environment-related risks and opportunities identified by the financial institution.	P21-P23, P32-P34
	b) The impact of environment-related risks and opportunities on the business and strategy of financial institutions.	P21-P23, P32-P34
	c) Measures taken by financial institutions to address environmental impacts and the results thereof.	P21-P23, P32-P34
	6.2 Quantitative Analysis of Environmental Risks for Financial Institutions	
	Financial institutions should quantify the impact of environmental factors on the financial institutions themselves or their investment targets through scenario analysis or stress testing methods, including but not limited to:	
	a) Actual status or future plans for conducting scenario analysis or stress testing.	P24-P25
	b) The methodologies, models and tools adopted in conducting scenario analysis or stress testing.	P24-P25
	c) conclusions derived from conducting scenario analysis or stress testing.	P24-P25
7. Environmental Impact of Investment and Financing Activities of Financial Institutions	7.1 Environmental impact arising from investment and financing of commercial banks	
	Environmental impacts arising from the investment and financing of commercial banks include, but are not limited to:	
	a) Provide an overview of the overall investment and financing situation and its impact on the environment.	P13
	b) Changes in the investment and financing structure of the industry compared to previous years and their impact on the environment.	P14, P64
	c) Investment and financing status of customers and their impact on the environment.	P14, P64
	d) Green investment assets managed on behalf of clients and changes therein.	None
	e) Implementation effects of green investment and financing policies.	P11
	f) Green investment and financing cases.	P18-19, P26, P35
	g) Green supply chain and its impact on the environment.	P17

ESG Index (Continued)

Disclosure	Specific requirements	Disclosure location
	7.2 Financial institutions may, based on the category of the institution, disclose the following content regarding the quantitative measurement of the environmental impact and risks of investment and financing: a) Quantitative measurement of environmental impact of investment and financing by commercial banks. Commercial banks may adopt credible calculation methods or entrust a qualified third party to calculate the environmental impact of their own investment and financing. For typical energy-saving projects and typical pollutant emission reduction projects, reporting shall be conducted based on the types of energy saving and emission reduction and the corresponding data in the project approval documents, project feasibility study reports or project environmental impact assessment reports; if the aforementioned relevant documents do not provide the corresponding energy saving and emission reduction data, calculations shall be performed according to the formulas prescribed by the National Financial Regulatory Administration.	P13
8. Environmental Impact of Financial Institutions' Operating Activities	8.1 Direct greenhouse gas emissions and natural resource consumption resulting from the business activities of financial institutions Direct greenhouse gas emissions and natural resource consumption arising from the operating activities of financial institutions include, but are not limited to: a) Energy consumed by self-owned transportation vehicles. b) Energy consumed by self-owned heating (cooling) equipment. c) Water consumed for business and office activities.	P15, P63
	8.2 Indirect greenhouse gas emissions and indirect natural resource consumption arising from products or services procured by financial institutions Indirect greenhouse gas emissions and indirect natural resource consumption arising from products or services procured by financial institutions include but are not limited to: a) Electricity consumed for business and office operations. b) Paper used for business and office purposes. c) Fuel consumed by the purchased heating (cooling) services.	P15, P63
	8.3 Environmental benefits generated by financial institutions' adoption of environmental protection measures Environmental benefits generated by financial institutions' adoption of environmental protection measures include but are not limited to: a) Resources and energy consumption saved or substituted through the development of online business, paperless office, energy-saving renovation of buildings, and encouraging employees to choose public transportation. b) Information on training activities or public welfare activities organized to enhance the environmental awareness of employees and the general public, including the number of activities, number of participants, and social impact, etc.	P63-P64 P17

Disclosure	Specific requirements	Disclosure location
	8.4 Quantitative Measurement of Environmental Impact of Operating Activities Quantitative calculation of the environmental impact of operating activities includes but is not limited to: a) Selectively disclose the carbon footprint of the institution's business activities and the per capita carbon footprint of full-time employees, including relevant indicators such as water consumption, electricity consumption, paper consumption, and fuel consumption of official vehicles. b) Financial institutions should provide explanations for the statistical parameters and calculation methods adopted.	P15, P63 P15
9. Data Sorting, Verification and Protection	The process of data sorting, verification and protection for financial institutions includes but is not limited to: a) Periodically conduct reviews and verifications of the quality of the institution's environment-related statistical data, establish data management systems and processes, further enhance the quality of relevant basic data, and ensure the timeliness and accuracy of data and externally disclosed information. b) Adopt corresponding technical measures to ensure data security and the rights and interests of data subjects. c) Establish contingency plans and take timely and corresponding measures for potential data security incidents or data security accidents.	P48 P48 P48
10.Green Finance Innovation and Research Achievements	Green finance innovation and research achievements of financial institutions include but are not limited to: a) Green finance innovation practice cases. b) Various domestic and international research and results conducted around aspects such as green finance and environmental risk analysis, and future outlook.	P18-19, P26, P35 P09
11.Other environment-related information	Other information that the financial institution considers appropriate for disclosure in addition to the above, such as the Legal Entity Identifier (LEI) of the financial institution.	None

ESG Index (Continued)

Index of IFRS S2 Climate-related Disclosures

Core Content		Disclosure location
Governance	(a) the governing body (including the board of directors, committees or other equivalent governing bodies) or individuals responsible for overseeing climate-related risks and opportunities. (i) how accountability for climate-related risks and opportunities is reflected in the terms of reference, mandates, role descriptions and other relevant policies applicable to such body or individuals; (ii) how such body or individuals determine whether they possess or will subsequently develop appropriate skills and competencies to oversee strategies formulated to address climate-related risks and opportunities; (iii) the means and frequency by which such body or individuals obtain information on climate-related risks and opportunities; (iv) how such body or individuals take climate-related risks and opportunities into account when overseeing the entity’s strategy, material transaction strategies, risk management processes and relevant policies, including whether and how trade-offs between such risks and opportunities are considered; (v) how such body or individuals oversee the setting of targets for climate-related risks and opportunities and monitor progress against sub-targets, including whether and how relevant performance indicators are incorporated into remuneration policies. (b) the role of management in the governance processes, controls and procedures adopted to monitor, manage and oversee climate-related risks and opportunities. (i) whether such role is delegated to specific management personnel or management committees, and the oversight arrangements for such personnel or committees; (ii) whether management applies controls and procedures to oversee climate-related risks and opportunities, and if so, how such controls and procedures are integrated with other internal functions.	P08-P09

Core Content		Disclosure location
Strategy	Climate-related risks and opportunities An entity shall disclose information to enable users of general purpose financial reports to understand climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects. (a) a description of climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects; (b) for each climate-related risk identified by the entity, specify whether the risk is classified as a climate-related physical risk or a climate-related transition risk; (c) for each climate-related risk and opportunity identified by the entity, specify the time horizon over which impacts are reasonably expected to occur, namely short-term, medium-term or long-term; (d) explain the entity’s definitions of “short-term”, “medium-term” and “long-term”, and how such definitions align with the planning time horizons adopted for strategic decision-making.	P21-P23
	Business Model and Value Chain An entity shall disclose information to enable users of general purpose financial reports to understand the current and anticipated impacts of climate-related risks and opportunities on its business model and value chain. (a) a description of the current and expected impacts of climate-related risks and opportunities on the entity’s business model and value chain; (b) a description of concentrated areas of climate-related risks and opportunities within the entity’s business model and value chain (e.g., geographical regions, facilities and types of assets).	P21-P23
	Strategy and Decision-making An entity shall disclose information to enable users of general purpose financial reports to understand the impacts of climate-related risks and opportunities on its strategy and decision-making. (a) information on how the entity currently plans and intends to address climate-related risks and opportunities in its strategy and decision-making, including its plans to achieve any self-established climate-related targets and any targets required by laws and regulations; (b) information on the entity’s current and planned allocation of resources for activities disclosed in accordance with paragraph (a); (c) qualitative and quantitative information on the progress of plans disclosed in the previous reporting period as set out in paragraph (a).	P20

ESG Index (Continued)

Core Content		Disclosure location
Financial Position, Financial Performance and Cash Flows	An entity shall disclose information to enable users of general purpose financial reports to understand: (a) the impacts of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows during the reporting period (current financial impacts); (b) the anticipated impacts of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, considering how the entity incorporates climate-related risks and opportunities into its financial planning (expected financial impacts).	P21-P23
Climate Resilience	An entity shall disclose information to enable users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, by considering the climate-related risks and opportunities identified by the entity. The entity shall assess climate resilience using climate-related scenario analysis tailored to its specific circumstances.	P21-P23
Risk Management	(a) the processes and relevant policies adopted by the entity to identify, assess, prioritise and monitor climate-related risks. (i) inputs and parameters used by the entity (e.g., information on data sources and the business scope covered by relevant processes); (ii) whether and how the entity applies climate-related scenario analysis to assist in identifying climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of impacts arising from such risks (e.g., consideration of qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises climate-related risks relative to other types of risks; (v) the entity's arrangements for ongoing monitoring of climate-related risks; (vi) any changes to the processes applied compared with the prior reporting period, and the reasons for such changes.	P21-P25

Core Content		Disclosure location
	(b) the entity's processes for identifying, assessing, prioritising and monitoring climate-related opportunities, including whether and how climate-related scenario analysis is utilised to identify such opportunities; (c) the extent to which and how the entity's processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and influence the entity's overall risk management framework.	
Metrics and Targets	(a) information corresponding to cross-industry metric categories; (b) industry-specific metrics relevant to distinct business models, activities or other common characteristics indicating the entity's involvement in a specific sector; (c) targets set by the entity to mitigate or adapt to climate-related risks or capture climate-related opportunities, as well as any mandatory targets prescribed by laws and regulations, together with indicators used by the governing body or management to measure progress against such targets.	P26,P63-P64

ESG Index (Continued)

Index of the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)

Disclosure	Specific requirements	Disclosure location
Governance	A Describe the board’s oversight of nature-related dependencies, impacts, risks and opportunities.	P08-P09
	B Describe management’s role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	P08-P09
	C Describe the organization’s human rights policies and engagement activities, and the oversight by the board and management of Indigenous Peoples, local communities, affected and other stakeholders, in the organization’s assessment of and response to nature-related dependencies, impacts, risks and opportunities.	P08-P09
Strategy	A Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term.	P27-P31
	B Describe the impact of nature-related dependencies, impacts, risks and opportunities on the organization’s business model, value chain, strategy and financial planning, as well as any transition plans or analysis already in place.	P27-P31
	C Describe the resilience of the organization’s strategy to nature-related risks and opportunities, taking into account different scenarios.	P27-P31
	D Disclose the locations of assets and/or activities in the organization’s direct operations and, where possible, the upstream and downstream value chains that meet the criteria for priority locations.	P27-P31
Risk and Impact Management	A.i. Describe the organization’s processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations.	P32-P35
	A.ii. Describe the organization’s processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain.	P32-P35
	B Describe the organization’s processes for monitoring nature-related dependencies, impacts, risks and opportunities.	P32-P35
	C Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization’s overall risk management processes.	P32-P35
Metrics and Targets	A Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	P35, P63-P64
	B Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	P35, P63-P64
	C Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities, and the performance of the organization against these.	P35, P63-P64

GRI CONTENT INDEX

GRI Standard	Disclosure	Disclosure location
GRI 2: General Disclosures	2-1 Organizational details	P03
	2-2 Entities included in the organization’s sustainability reporting	P90
	2-3 Reporting Period, frequency and contact point	P90
	2-4 Restatements of information	P90
	2-5 External assurance	Nil
	2-6 Activities, value chain and other business relationships	P03
	2-7 Employees	P48-P50
	2-8 Workers who are not employees	P48-P50
	2-9 Governance structure and composition	P58
	2-10 Nomination and selection of the highest governance body	P08-P09, P57
	2-11 Chair of the highest governance body	P08-P09, P57
	2-12 Role of the highest governance body in overseeing the management of impacts	P08-P09, P57
	2-13 Delegation of responsibility for managing impacts	P08-P09, P57
	2-14 Role of the highest governance body in sustainability reporting	P08-P09, P57

ESG Index (Continued)

GRI Standard	Disclosure	Disclosure location
	2-15 Conflicts of interest	P57
	2-16 Communication of critical concerns	P57
	2-17 Collective knowledge of the highest governance body	P08-P09
	2-18 Evaluation of the performance of the highest governance body	P08-P09
	2-19 Remuneration policies	P50
	2-20 Process to determine remuneration	P50
	2-22 Statement on sustainable development strategy	P02
	2-27 Compliance with laws and regulations	P50, P57, P62
	2-29 Approach to stakeholder engagement	P06-P07
GRI 3: Material Topics	3-1 Process to determine material topics	P06-P07
	3-2 List of material topics	P06-P07
	3-3 The management approach and its components	P06-P07
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	P04
	201-2 Financial implications and other risks and opportunities due to climate change	P21-P23
GRI 205: Anti-corruption	205-2 Communication and training on anti-corruption policies and procedures	P62, P67
	205-3 Confirmed incidents of corruption and actions taken	P67
GRI 302: Energy	302-1 Energy consumption within the organization	P63
	302-3 Energy intensity	P63

GRI Standard	Disclosure	Disclosure location
GRI 303: Water and Effluents	303-1 Management of water discharge-related impacts	P16
	303-2 Water Consumption	P63
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	P27
	304-2 Significant impacts of activities, products and services on biodiversity	P27-P31
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	P63
	305-2 Energy indirect (Scope 2) GHG emissions	P63
	305-3 Other indirect (Scope 3) GHG emissions	P63
	305-4 GHG emissions intensity	P63
	305-5 Reduction of GHG emissions	P63
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P63
GRI 306: Waste	306-2 Management of significant waste-related impacts	P16
	306-3 Waste generated	P63
GRI 401: Employment	401-1 New employee hires and employee turnover	P65
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P50
	401-3 Parental leave	P50

ESG Index (Continued)

GRI Standard	Disclosure	Disclosure location
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	P50
	403-3 Occupational health services	P50
	403-4 Worker participation, consultation, and communication on occupational health and safety	P50
	403-5 Worker training on occupational health and safety	P50-P51
	403-6 Promotion of worker health	P50-P51
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P50-P51
	403-8 Workers covered by an occupational health and safety management system	P50-P51
	403-9 Work-related injuries	P66
GRI 404: Training and Education	404-1 Average hours of training per year per employee	P65
	404-2 Programs for upgrading employee skills and transition assistance programs	P49
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	P58, P65

About This Report

Report Statement

Welcome to the “2025 Sustainability Report of Weihai City Commercial Bank Co., Ltd.” (Environmental, Social and Governance Report). This report is the sixth Environmental, Social and Governance (ESG) report released by Weihai City Commercial Bank Co., Ltd. (hereinafter referred to as “**Weihai Bank**”, “the Bank”, “**our Bank**”). It aims to disclose the Bank’s ESG philosophy, strategies, and performance related to corporate social responsibility and sustainable development, in response to the expectations and concerns of stakeholders, and to continuously promote the Bank’s improvement in sustainable development performance.

Name of the Report

“Sustainability Report” is the title adopted by the Bank for its annual ESG report. The use of this title reflects the integration of the Bank’s corporate governance philosophy for sustainable development with the practice of ESG principles. Concurrently, this annual report has been prepared with consideration of environmental, social, and governance (ESG) factors and may also be referred to as the “Environmental, Social, and Governance Report (ESG Report)”.

Scope of the Report

The Reporting Period is from January 1, 2025, to December 31, 2025, with certain content extending beyond this time scope.

Report Publication Frequency

This report is published annually

Reporting Organizational Scope

Unless otherwise specified, the content of this report aligns with the scope of the Company’s financial reports, covering the Bank’s Head Office, subsidiaries, and branches. The scope of data for environmental key performance indicators includes the Bank’s Head Office and branches.

Preparation Basis of the Report

This report is prepared in accordance with the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited (HKEX) and primarily references the following reporting standards:

- IFRS Sustainability Disclosure Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)
- IFRS Sustainability Disclosure Standard S2 – Climate-related Disclosures (IFRS S2)
- TNFD “Framework for Nature-Related Financial Disclosures”
- Guidelines for Financial Institutions Sustainability Information Disclosure of the People’s Bank of China (Trial)
- “Guidelines on Environmental Information Disclosure for Financial Institutions” issued by People’s Bank of China
- Global Sustainability Standards Board (GSSB) “GRI Sustainability Reporting Standards”
- Shandong Provincial State-owned Assets Supervision and Administration Commission “ Work Guidelines for the ESG Indicator System of State-Owned Listed Companies in Shandong Province “
- This report complies with the “comply or explain” provisions and the four reporting principles (materiality, quantification, balance, and consistency) of the “Environmental, Social and Governance Reporting Code”.

Reporting Principles

This report has been prepared by the Bank in accordance with the reporting principles of the Stock Exchange’s “Environmental, Social and Governance Reporting Code”.

- Materiality:** The Bank identified a series of environmental, social and governance (ESG) topics related to its business and operations. Through stakeholder surveys and interviews, it conducted a double materiality assessment to determine the impact of these topics on the Bank’s commercial operations as well as their impact on the environment, society and the economy. The assessment results were reviewed by the Board of Directors and used to formulate the framework and content of this Report. For details of the materiality assessment process, please refer to the section “Materiality Analysis of Topics” in this chapter.
- Quantification:** The Bank utilizes a comprehensive set of established key performance indicators to measure and monitor its ESG performance, and provides full disclosure of its quantified performance.
- Consistency:** Where practicable, the Bank employs consistent methodologies with those of the last year and comparable periods to calculate and monitor its ESG performance. Any changes in methodology are specifically explained to facilitate comparison of data across different periods by report readers.
- Balance:** The Bank has prepared this Report comprehensively in accordance with the standards referenced in “3. Basis of Preparation of the Report”, disclosing the Bank’s work achievements and any potential significant negative impacts, while also disclosing both positive and negative indicators, to enable stakeholders to fully understand the Bank’s environmental, social and governance-related governance and performance.

About This Report (Continued)

Denomination Currency

Unless otherwise specified, the currency for financial data in this Report is RMB.

Reporting Language

This Report is published in both Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

Report Approval

This report was reviewed and approved for release by the Bank’s Board of Directors (the “**Board**”) on [Date].

Report Release

The electronic version of this report is available on the Bank’s official website (www.whccb.com) and the Hong Kong Stock Exchange’s disclosure website (www.hkexnews.hk).

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Reader’s Feedback

Dear reader,

Greetings! It is much appreciated for you to spend time in reading the 2025 Sustainability Report (Environmental, Social and Governance Report) of Weihai Bank Co., Ltd..

The Bank values and expects to listen to your feedback on Weihai Bank’s ESG management, practices, and information disclosure. Your opinions and suggestions are an important basis for the Bank to continuously promote the management and practice of sustainability. We are looking forward to your reply!

Please score from 1 to 5 (1 being the lowest and 5 being the highest) for the following questions.

Do you think whether the Report provides the information you need to know?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Do you think whether Weihai Bank’s environmental, social and governance performances are completely reflected in the Report?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Do you think whether the Report can fully respond to the expectations and demands of Weihai Bank’s stakeholders?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Do you think whether the disclosure of quantitative information in the Report is objective, authentic and efficient to you?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Do you think whether the textual expressions in the Report are clear, organized, and easy to understand?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Do you think whether the layout design of the Report helps you understand the relevant information?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

If you have any other comments and suggestions regarding the 2025 Sustainability Report of Weihai Bank Co., Ltd., please feel free to share them.

You can provide us with your feedback through the following channels:

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