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If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bank of Qingdao Co., Ltd.***, you should at once hand this circular and the proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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BQD 青岛银行
Bank of Qingdao Co., Ltd.*
青島銀行股份有限公司*

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

(H Shares Stock Code: 3866)

2024 ANNUAL GENERAL MEETING

A notice convening 2024 AGM of the Bank to be held at No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province, the PRC at 9:00 a.m. on Wednesday, 28 May 2025 is set out in this circular.

If you intend to attend and/or vote at the 2024 AGM, you are required to complete such proxy form in accordance with the instructions printed thereon and return it to the Bank's H Share Registrar (for H Shareholder(s)) or the Bank's PRC registered office and principal place of business (for A Shareholder(s)) not less than 24 hours before the designated time for convening the related meeting or any adjournment thereof. Completion and return of the proxy form shall not affect your right to attend or vote at such meeting or any adjournment thereof in person.

* *Bank of Qingdao Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry out banking and/or deposit-taking business in Hong Kong.*

8 May 2025

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2024 AGM”	the 2024 annual general meeting of the Bank to be held at No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province, the PRC at 9:00 a.m. on Wednesday, 28 May 2025
“A Shareholder(s)”	holder(s) of A Shares
“A Share(s)”	the Bank’s ordinary shares of RMB1.00 each, which are listed on SZSE (stock code: 002948) and traded in RMB
“Articles of Association”	the Articles of Association of Bank of Qingdao Co., Ltd.
“ASBE”	Accounting Standards for Business Enterprises
“Bank”	Bank of Qingdao Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“Company”	Bank of Qingdao Co., Ltd. and its subsidiaries
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Bank
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Shareholder(s)”	holder(s) of H Shares
“H Shares”	overseas listed foreign shares of RMB1.00 each in the share capital of the Bank, which are listed on the Hong Kong Stock Exchange (stock code: 03866) and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise revised from time to time

DEFINITIONS

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRS Accounting Standards”	IFRS Accounting Standards
“Latest Practicable Date”	30 April 2025, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“PBOC”	The People’s Bank of China, the central bank of the PRC
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this circular, Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Shares and/or H Shares of the Bank
“Shareholder(s)”	holder(s) of Shares
“Supervisor(s)”	the supervisor(s) of the Bank
“SZSE”	the Shenzhen Stock Exchange

In case of any discrepancy between the Chinese and English versions of this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD

BQD 青岛银行
Bank of Qingdao Co., Ltd.*
青島銀行股份有限公司*

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

(H Shares Stock Code: 3866)

Members of the Board:

Executive Directors:

Jing Zailun (*Chairman*)

Wu Xianming

Chen Shuang

Liu Peng

Non-executive Directors:

Zhou Yunjie

Rosario Strano

Tan Lixia

Giamberto Giraldo

Deng Youcheng

Independent Non-executive Directors:

Xing Lecheng

Zhang Xu

Cheung Man Chor, Elton

Du Ning

Fan Xuejun

***Registered Address and Address of
Head Office:***

Building No. 3, No. 6 Qinling Road
Laoshan District
Qingdao, Shandong Province
the PRC

***Address of the Registered Office in
Hong Kong:***

31st Floor, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

To the Shareholders:

2024 ANNUAL GENERAL MEETING

I. INTRODUCTION

The Board of Directors invites you to attend the 2024 AGM to be held at No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province, the PRC at 9:00 a.m. on Wednesday, 28 May 2025. This circular aims to provide more information on matters set out in the notice of the 2024 AGM.

* *Bank of Qingdao Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry out banking and/or deposit-taking business in Hong Kong.*

LETTER FROM THE BOARD

II. MATTERS TO BE CONSIDERED AT THE 2024 AGM

Resolution 1. Work Report of the Board of Directors for 2024

An ordinary resolution on the *Work Report of the Board of Directors of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for approval. Please refer to Appendix I to this circular for the full text of the report.

Resolution 2. Work Report of the Board of Supervisors for 2024

An ordinary resolution on the *Work Report of the Board of Supervisors of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for approval. Please refer to Appendix II to this circular for the full text of the report.

Resolution 3. Report for Final Financial Accounts for 2024

An ordinary resolution on the *Report for Final Financial Accounts of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for approval.

The financial statements of the Company for 2024 prepared in accordance with ASBE have been audited by KPMG Huazhen LLP which has issued an audit report with standard unqualified opinions and the financial statements of the Company for 2024 prepared in accordance with IFRS Accounting Standards have been audited by KPMG which has issued an audit report with unqualified opinions. There is no difference in the net profit and the shareholders' equity between the two sets of statements.

The final financial accounts for 2024 of the Company are reported as below (based on ASBE):

In 2024, the Company realized operating income of RMB13.498 billion, representing a year-on-year increase of RMB1.025 billion or 8.22%; net profit of RMB4.405 billion, representing a year-on-year increase of RMB733 million or 19.97%; net profit attributable to equity shareholders of the Company of RMB4.264 billion, representing a year-on-year increase of RMB716 million or 20.16%. As at the end of 2024, total assets amounted to RMB689.963 billion, representing an increase of RMB81.978 billion or 13.48% as compared with that at the end of the previous year; non-performing loan ratio was 1.14%, representing a decrease of 0.04 percentage point as compared with that at the end of the previous year, with the provision coverage of 241.32%, representing an increase of 15.36 percentage points as compared with that at the end of the previous year; capital adequacy ratio was 13.80%, representing an increase of 1.01 percentage points as compared with that at the end of the previous year, and the core tier-one capital adequacy ratio was 9.11%, representing an increase of 0.69 percentage point as compared with that at the end of the previous year. All indicators above have met regulatory requirements.

For details of the audited financial information for the year ended 31 December 2024 prepared based on IFRS Accounting Standards, please refer to the financial statements as set out in the 2024 annual report published by the Bank.

LETTER FROM THE BOARD

Resolution 4. Profit Distribution Plan for 2024

An ordinary resolution on the *Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for approval.

The financial statements of the Bank for 2024 prepared in accordance with ASBE have been audited by KPMG Huazhen LLP which has issued an audit report with standard unqualified opinions and the financial statements of the Bank for 2024 prepared in accordance with IFRS Accounting Standards have been audited by KPMG which has issued an audit report with unqualified opinions. Based on the above audited financial statements, the net profit attributable to shareholders of the parent company in the consolidated financial statement realized by the Bank for 2024 recorded in both of the financial statements prepared in accordance with ASBE and IFRS Accounting Standards were RMB4.264 billion, and the net profit in the Bank's 2024 statements was RMB3.880 billion.

To this end, pursuant to the profit of the Bank, the Articles of Association and relevant regulatory requirements, the Bank intends to implement the profit distribution plan for 2024 as below:

- (i) 10% of the net profit of the Bank shall be appropriated to the statutory surplus reserve amounting to RMB388 million;
- (ii) To appropriate RMB899 million to general reserve;
- (iii) Distributed interest on perpetual bonds totaling RMB233 million in July and August 2024;
- (iv) RMB1.60 (tax inclusive) per 10 shares of cash dividend will be distributed to all ordinary shareholders on a basis of the total number of shares on the record date of equity distribution. If calculated based on the total ordinary share capital of 5,820,354,724 shares when the Board of Directors reviewed and approved the proposed profit distribution plan, the distribution amount is approximately RMB931 million. Dividends of H Shares shall be paid in Hong Kong dollars. The applicable exchange rate of RMB to Hong Kong dollars shall be the average of the central parity rates in the interbank foreign exchange market of the five business days preceding the date of declaration of such dividends at the 2024 AGM (including the day the 2024 AGM to be held) as announced by the People's Bank of China;
- (v) The retained profit will be carried forward to the next year.

Taxation applying to dividends on ordinary Shares

In accordance with the *Enterprise Income Tax Law of the People's Republic of China* and the related implementation provisions, the Company shall withhold and pay enterprise income tax at the rate of 10% for non-resident enterprise shareholders whose names appear on the register of holders of H Shares on Saturday, 7 June 2025.

LETTER FROM THE BOARD

Pursuant to the *Notice on Issues Concerning Individual Income Tax After the Annulment of Document Guo Shui Fa [1993] No. 045* (Guo Shui Han [2011] No. 348) promulgated by the State Taxation Administration of the PRC on 28 June 2011, dividend received by overseas resident individual shareholders from the shares issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax, which shall be withheld and paid by the withholding agents according to relevant laws; however, the overseas resident individual shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China and the tax arrangements between Mainland China and Hong Kong/Macau.

In accordance with the above tax regulations, the Bank shall generally withhold and pay individual income tax at the rate of 10% for individual Shareholders of H Shares of the Bank unless otherwise specified by the relevant tax regulations and tax agreements, in which case the Bank will conduct specific procedures according to the relevant regulatory requirements of tax authorities.

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Bank listed on SZSE (the “**Shenzhen Southbound Trading**”), the Bank will distribute the dividends in RMB through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Bank will withhold income taxes at the rate of 10% on behalf of the investors and will report to the competent tax authorities for the withholding. For investors of Shenzhen Southbound Trading involved in the enjoying of tax treaty (arrangement) treatment, the withholding will be implemented in accordance with the *Notice of the State Administration of Taxation on Issues about the Administrative Measures for Non-residents to Enjoy the Treatments of Tax Treaties* (Notice of the State Administration of Taxation [2015] No. 60) (《國家稅務總局關於發佈〈非居民納稅人享受稅收協議待遇管理辦法〉的公告》(國家稅務總局公告2015年第60號)) and *Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets* (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)).

The equity registration date and the distribution date of cash dividends and other arrangements for the investors of Shenzhen Southbound Trading will be the same as those for the A Shareholders of the Bank. Details of the payment of dividends to the A Shareholders of the Bank and related matters will be announced in due course.

For investors of the Shanghai Stock Exchange and the SZSE (including enterprises and individuals) investing in the H Shares of the Bank listed on the Hong Kong Stock Exchange (the “**Southbound Trading**”), China Securities Depository and Clearing Corporation Limited, as the nominee holders for the investors of the Southbound Trading, shall receive the cash dividends distributed by the Bank and distribute the cash dividends received from the Bank to the relevant investors of the Southbound Trading through their depository and clearing systems. The cash dividends for the investors of Southbound Trading will be paid in RMB. Pursuant to the relevant requirements of the *Notice on the Tax Policies Related to the Pilot*

LETTER FROM THE BOARD

Program of the Shanghai-Hong Kong Stock Market Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the *Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Market Connect* (Cai Shui [2016] No. 127) (《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong stock exchanges connectivity mechanism (the “**Shanghai-Hong Kong Stock Connect**”) and the Shenzhen-Hong Kong stock exchanges connectivity mechanism (the “**Shenzhen-Hong Kong Stock Connect**”), the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The equity registration date and the distribution date of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Bank.

The Bank held no liability in respect of any claims arising from any delay in, or inaccurate determination of the identity of the Shareholders or any disputes over the mechanism of withholding and payment.

If in any doubt as to the above arrangement, the relevant H Shareholders of the Bank may consult with their tax consultants on the advices of the tax implications in Mainland China, Hong Kong and other countries (regions) in respect of holding and disposing of the relevant H Shares of the Bank.

The Bank will make a separate announcement regarding the payment of the 2024 final dividend to A Shareholders and any related matters.

Closure of register of members and eligibility for final dividend distribution

The share register for H Shares of the Bank will be closed from Tuesday, 3 June 2025 to Saturday, 7 June 2025 (both days inclusive). In order to be entitled to the final dividend distribution of 2024, the H Shareholders of the Bank who have not registered the transfer documents are required to deposit the transfer documents together with relevant Share certificates at the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 2 June 2025. Shareholders whose names appear on the register of members of the Bank at the close of business on Saturday, 7 June 2025 are entitled to the final dividend distribution.

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The Board is set to distribute the final dividends of 2024 on Thursday, 26 June 2025. If there are any changes to the dividend payment date, an announcement will be published regarding such changes.

Resolution 5. Selection and Engagement of Accounting Firms for 2025

An ordinary resolution on the *Selection and Engagement of Accounting Firms of Bank of Qingdao Co., Ltd. for 2025* will be proposed at the 2024 AGM for approval.

Pursuant to the *Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies* (Cai Kuai [2023] No. 4) (《國有企業、上市公司選聘會計師事務所管理辦法》(財會[2023]4號)) and with reference to the requirements of the *Measures for Administration of Selection and Engagement of Accounting Firms by State-owned Financial Enterprises* (Cai Jin [2020] No. 6) (《國有金融企業選聘會計師事務所管理辦法》(財金[2020]6號)), and by comprehensively taking into account factors such as the actual situation of the Bank and the service term of accounting firms previously engaged, the Bank proposes to change the external auditors for 2025, following the fulfillment of the open selection procedures and based on the results of the evaluation.

On 17 January 2025, the Bank convened the eighth meeting of the ninth session of the Board, at which the *Resolution on the Selection and Engagement of Accounting Firms of Bank of Qingdao Co., Ltd. for 2025* was considered and approved. By comprehensively considering the factors such as professional competence, investor protection ability, integrity status and independence, it is proposed to engage Ernst & Young Hua Ming LLP as the domestic auditor of the Bank for 2025 and Ernst & Young as the Bank's overseas auditor for 2025.

The Bank shall pay audit-related fees of RMB3.55 million for the services in terms of the audit for 2025 annual financial report, the review over semi-annual financial report, as well as the execution of agreed-upon procedures for first quarter and third quarter financial reports, and audit fees of RMB500 thousand for internal control for 2025, totaling RMB4.05 million, which representing a decrease of RMB930 thousand as compared with that of the previous year. The fees are determined by the results of the open selection procedures based on the factors such as the fair market standard, workload, etc., including taxes and other miscellaneous expenses such as travel, office and travel allowance.

Resolution 6. Estimated Amount of the Ordinary Related Party Transactions for 2025

An ordinary resolution on the *Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2025* will be proposed at the 2024 AGM for approval.

Pursuant to the relevant provisions of the CSRC, the SZSE and the Bank's related party transaction management system, after the Bank makes reasonable estimates of the ordinary related party transactions and fulfills the corresponding approval and disclosure procedures, a single related party transaction within the estimate scope of the year is exempted from re-approval and disclosure in accordance with the standards of the CSRC and the SZSE. However, major related party transactions that comply with the standards of the National

LETTER FROM THE BOARD

Financial Regulatory Administration shall be submitted to the Related Party Transactions Control Committee of the Board for review and to the Board for approval on a case-by-case basis.

The Bank has estimated the ordinary related party transactions in 2025. For details, please refer to Appendix III of this circular.

Resolution 7. Special Report on Related Party Transactions for 2024

An ordinary resolution on the *Special Report on Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for approval. Please refer to Appendix IV to this circular for the full text of the report.

Resolution 8. Shareholders' Return Plan for 2024-2026

An ordinary resolution on the *Shareholders' Return Plan for 2024-2026 of Bank of Qingdao Co., Ltd.* will be proposed at the 2024 AGM for approval.

In order to further raise the Bank's attention towards the Shareholders' return and provide sustainable, stable and reasonable investment returns to Shareholders, the Bank has formulated the *Shareholders' Return Plan for 2024-2026 of Bank of Qingdao Co., Ltd.* pursuant to the relevant requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Notice Regarding Further Implementation of Cash Dividends Distribution of Listed Companies*, the *Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution of Listed Companies* and the Articles of Association, after taking into account the actual operating conditions and the future development of the Bank.

The full text of the Shareholders' Return Plan for 2024-2026 is set out in Appendix V to this circular.

Resolution 9. General Mandate for the Issue of Shares

A special resolution on the *Resolution on General Mandate for the Issue of Shares of Bank of Qingdao Co., Ltd.* will be proposed at the 2024 AGM for approval.

With a view to fully leveraging on the financing advantages of the capital market, capitalizing on the financing channel in the market and promoting the flexibility of capital management of the Bank, the Board, with reference to market practices, proposes to the 2024 AGM for the approval of granting a general mandate to issue Shares to the Board and further delegation of authority by the Board in accordance with the requirements of relevant laws and regulations and the provisions of the Articles of Association.

LETTER FROM THE BOARD

(i) *Specific plan on the general mandate for the issue of Shares*

- (1) Pursuant to the condition listed in (2) below and under the premise of compliance with the laws and regulations, the Board shall be authorized to separately or concurrently issue, allocate or otherwise deal with ordinary A Shares and/or ordinary H Share, preference Shares and convertible bonds during the Relevant Period (as defined below).

“Relevant Period” means the period from the date of passing this resolution on authorisation by 2024 AGM until the earliest of: (1) the conclusion of 2025 annual general meeting of the Bank; (2) the expiration of the 12-month period following the passing of this resolution at the 2024 AGM of the Bank; (3) the date on which the authorisation referred to in this resolution is revoked or varied by a special resolution at any general meeting of the Bank.

- (2) The Board shall be authorized to issue, allocate or otherwise deal with the numbers of ordinary A Shares and/or ordinary H Shares, preference Shares and convertible bonds (among which, the number of preference Share shall be calculated based on the number of ordinary A Shares and/or ordinary H Shares to be fully converted from preference Share at the mandatory conversion price and the number of convertible bonds shall be calculated based on the number of ordinary A Shares and/or ordinary H Shares to be fully converted from convertible bonds at the conversion price), and the respective amount shall not exceed 20% of the respective total number of issued class of Shares of ordinary A Shares and/or ordinary H Shares of the Bank at the date on which this resolution is passed by the 2024 AGM.
- (3) The Board shall be authorized to: (1) formulate and implement the detailed issuing plan which includes, but without limitation, the class of Shares to be issued and allocated, the pricing method and/or the issue price (including a price range), the number of Shares to be issued, the target subscribers and the investment direction of the proceeds raised; to determine the timing of the issue, the issue period and the use of the proceeds raised, and to determine whether to offer to existing Shareholders; (2) deal with matters in relation to the increase in registered capital of the Bank so as to reflect the Shares of the Bank to be issued under the authorisation granted under this resolution, and make any amendments to clauses in the Articles of Association in relation to issue of Shares and registered capital as it duly thinks necessary; (3) to consider and approve statutory documents submitted to relevant regulatory authorities related to the aforesaid issuance, and carry out relevant approval procedures under the requirements of regulatory authorities and the place where the Shares of the Bank are listed; (4) take any other necessary actions and proceed with other necessary procedures in order to implement the issue proposal and realize the increase in registered capital; (5) determine other matters related to the aforesaid issuance.

LETTER FROM THE BOARD

(ii) ***Relevant authorisation***

To increase the efficiency in decision-making, reduce the internal approval procedures and seize market opportunities, in relation to dealing with the matters on issuing Shares under the general mandate, it is proposed to the 2024 AGM for approval to authorize the Board, and the Board further authorizes the authorized person(s) of the Board, to deal with matters regarding the general mandate to issue Shares during the Relevant Period. The above authorisation to the authorized person by the Board shall be determined by the Board upon the exercise of the general mandate under this resolution.

Resolution 10. Issuance of Financial Bonds

A special resolution on the *Resolution on Issuance of Financial Bonds of Bank of Qingdao Co., Ltd.* will be proposed at the 2024 AGM for approval.

In recent years, the Bank has actively responded to the changes in the domestic economic situation, achieving sustained asset growth, enhanced profitability, and significant improvements in operational capabilities. In order to further optimize the matching structure of medium and long-term assets and liabilities, increase the sources of stable medium and long-term liabilities, and support the development of new medium and long-term assets business, the Bank intends to apply for the issuance of not exceeding RMB5.0 billion (inclusive) of financial bonds within the framework of regulatory requirements and in light of its own development needs. The overall issuance plan is set out as follows:

1. Total issue size: Not exceeding RMB5.0 billion (inclusive).
2. Bond maturity: Not exceeding 5 years (inclusive).
3. Interest rates of the bonds: Determined with reference to market interest rates.
4. Use of proceeds: The funds raised from the bond issuance will be used to optimize the matching structure of medium and long-term assets and liabilities, increase the sources of stable medium and long-term liabilities, and support the development of new medium and long-term assets business.
5. Valid term of the resolution regarding the issuance of the financial bonds: Valid for 36 months from the date of approval at the 2024 AGM.
6. Issuance authorisation: In view of uncertainties in relation to the issuance of the financial bonds by the Bank, such as changes in the time of issuance or market conditions, and in order to ensure the successful issuance of the financial bonds, it is proposed to the 2024 AGM for approving the Board of Directors to authorize the senior management of the Bank, to specifically deal with relevant matters relating to the issuance of the financial bonds, including but not limited to the following matters in relation to filing and approval:

LETTER FROM THE BOARD

- (1) In relation to the issuance of the financial bonds, to handle the filing, approval, verification, reporting and registration procedures with the relevant regulatory authorities, to sign, execute, revise and complete all essential documents, and to determine and pay the expenses in relation to the issuance of the financial bonds.
- (2) To determine the specific terms of the bond issuance in accordance with the issuance plan above and the regulations and approvals by the relevant regulatory authorities, which include but not limited to the relevant matters in relation to the tranches (which may be issued in one or multiple installments), timing, size, currency and market of the bond issuance as well as the duration, rates or its determination mechanism, target subscribers of the bonds, method of issuance and of payment, bond registration and custody, and circulation and listing.
- (3) To draft, revise, sign and execute all agreements, contracts and related documents during the bond issuance, to engage intermediaries, and to determine other matters related to the bond issuance.
- (4) In accordance with the latest regulatory requirements by the regulatory authorities, to make appropriate adjustments to the terms of issuance within the scope of the issuance plan determined at the general meeting (including but not limited to the determination of the amount of issuance, maturity of bonds, method to determine interest rate, and other terms required to be adjusted by the regulatory authorities, etc.).
- (5) To handle other matters which the senior management thinks are necessary, appropriate or desirable for the issuance of the financial bonds in accordance with domestic and overseas laws and regulations.
- (6) Except for matters subject to re-approval by shareholders' general meetings or Board of Directors as stipulated by relevant laws, regulations and the Articles of Association of the Bank.

The aforementioned authorisations are valid for 36 months from the date of approval at the 2024 AGM.

Resolution 11. Proposed Issuance Quota of Capital Replenishment Instruments

A special resolution on the *Resolution on the Proposed Issuance Quota of Capital Replenishment Instruments of Bank of Qingdao Co., Ltd.* will be proposed at the 2024 AGM for approval.

In recent years, in the wake of rapid growth of the Bank's asset size and operating performance, the capital adequacy level of the Bank is still faced with certain pressure. In view of this, the Bank intends to, subject to relevant regulatory regulations and framework and with reference to its development needs, apply for an issuance quota of capital replenishment instruments of not exceeding RMB2.0 billion (inclusive). Through the issuance of capital

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replenishment instruments, the Bank aims to further enhance the capability of its capital to support the development as a whole, boost core competitiveness and promote sustainable development. The overall issuance plan is set out as follows:

1. Category of issuance: It is planned to use the issuance quota of the capital replenishment instruments for the issuance of undated capital bonds.
2. Total issue size: Not exceeding RMB2.0 billion (inclusive).
3. Bond maturity: Same as the ongoing operation term of the issuer.
4. Interest rates of the bonds: Determined with reference to market interest rates.
5. Use of proceeds: To replenish the Bank's other tier-one capital.
6. Valid term of the resolution regarding the issuance of undated capital bonds: Valid for 36 months from the date of approval at the 2024 AGM.
7. Issuance authorisation: In view of uncertainties in relation to the issuance of undated capital bonds by the Bank, such as changes in the time of issuance or market conditions, and in order to ensure the successful issuance of the undated capital bonds, it is proposed to the 2024 AGM for approving the Board of Directors to authorize the senior management of the Bank, to specifically deal with relevant matters relating to the issuance of undated capital bonds, including but not limited to the following matters in relation to filing and approval:

(1) Authority in relation to the issuance

- ① In relation to the issuance of the undated capital bonds, to handle the filing, approval, verification, reporting and registration procedures with the relevant regulatory authorities, to sign, execute, revise and complete all essential documents, and to determine and pay the expenses in relation to the issuance of the undated capital bonds.
- ② To determine the specific terms of the bond issuance in accordance with the issuance plan above and the regulations and approvals by the relevant regulatory authorities, which include but not limited to the relevant matters in relation to the tranches (which may be issued in one or multiple installments), timing, size, currency and market of the bond issuance, rates or its determination mechanism, target subscribers of the bonds, method of issuance and of interest payment, priority of repayment, write-down terms, optional redemption by the issuer, bond registration and custody, and circulation and listing.
- ③ To draft, revise, sign and execute all agreements, contracts and related documents during the bond issuance, to engage intermediaries, and to determine other matters related to the bond issuance.

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- ④ In accordance with the latest regulatory requirements by the regulatory authorities, to make appropriate adjustments to the terms of issuance within the scope of the issuance plan determined at the 2024 AGM (including but not limited to the determination of the amount of issuance, maturity of bonds, method to determine interest rate, and other terms required to be adjusted by the regulatory authorities, etc.).
- ⑤ To handle other matters which the senior management thinks are necessary, appropriate or desirable for the issuance of undated capital bonds in accordance with domestic and overseas laws and regulations.
- ⑥ Except for matters subject to re-approval by shareholders' general meetings or Board of Directors as stipulated by relevant laws, regulations and the Articles of Association of the Bank.

The aforementioned authorisations in relation to issuance are valid for 36 months from the date of approval at the 2024 AGM.

(2) *Other authorisations in relation to undated capital bonds*

According to the regulations and requirements of relevant regulatory authorities, the undated capital bonds shall be subject to interest payment or distribution, redemption, write-down, information disclosure relating to undated capital bonds and other related matters.

The aforementioned other authorisations in relation to undated capital bonds shall commence on the date of approval at the 2024 AGM and end on the date of completion of the above authorisations.

III. MATTERS TO BE REPORTED AT THE 2024 AGM

1. Evaluation Report on the Performance of Duties by the Board of Directors and Directors for 2024

The *Evaluation Report on the Performance of Duties by the Board of Directors and Directors of Bank of Qingdao Co., Ltd. for 2024* will be submitted at the 2024 AGM for review by Shareholders, but not required for their approval. For full text of the report, please refer to Appendix VI to this circular.

2. Evaluation Report on the Performance of Duties by the Supervisors for 2024

The *Evaluation Report on the Performance of Duties by the Supervisors of Bank of Qingdao Co., Ltd. for 2024* will be submitted at the 2024 AGM for review by Shareholders, but not required for their approval. For full text of the report, please refer to Appendix VII to this circular.

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3. Evaluation Report on Performance of Duties of the Senior Management and Senior Executives for 2024

The *Evaluation Report on the Performance of Duties of the Senior Management and Senior Executives of Bank of Qingdao Co., Ltd. for 2024* will be submitted at the 2024 AGM for review by Shareholders, but not required for their approval. For full text of the report, please refer to Appendix VIII to this circular.

4. Performance Report of the Independent Non-executive Directors for 2024

The *Performance Report of the Independent Non-executive Directors of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for review by Shareholders, but not required for their approval. For full text of the report, please refer to Appendix IX to this circular.

5. Evaluation Report of the Major Shareholders for 2024

The *Evaluation Report of the Major Shareholders of Bank of Qingdao Co., Ltd. for 2024* will be proposed at the 2024 AGM for review by Shareholders, but not required for their approval. For full text of the report, please refer to Appendix X to this circular.

IV. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

V. THE 2024 AGM

The Bank intends to convene the 2024 AGM at No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province, the PRC, at 9:00 a.m. on Wednesday, 28 May 2025 to consider and, if thought fit, to pass the resolutions as set out in the notice of the 2024 AGM. Notice and form of proxy of the 2024 AGM dated 8 May 2025 have been published in accordance with the Hong Kong Listing Rules. The notice of the 2024 AGM is set out in this circular.

Completion and return of the form(s) of proxy(ies) will not preclude you from attending and voting in person at the 2024 AGM or at any adjournment thereof.

Closure of Register of Members and Eligibility to Attend and Vote at the 2024 AGM

The H-share register of members of the Bank will be closed from Thursday, 22 May 2025 to Wednesday, 28 May 2025 (both days inclusive). In order to be eligible to attend and vote at the 2024 AGM, H Shareholders of the Bank must lodge the H-share transfer documents accompanied by the relevant share certificates and other appropriate documents with the Bank's H Share Registrar,

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Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 21 May 2025. Shareholders whose names appear in the register of members of the Bank on Thursday, 22 May 2025, will be eligible to attend and vote at the 2024 AGM.

VI. METHODS OF VOTING AT THE 2024 AGM

Pursuant to the requirements of Rule 13.39(4) of the Hong Kong Listing Rules, voting by the Shareholders at the 2024 AGM shall be taken by the way of poll.

To the best knowledge of the Bank, Haier Group Corporation and its related parties, Intesa Sanpaolo S.p.A. and Qingdao Conson Development (Group) Co., Ltd. and its related parties, were deemed to have a material interest in the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2025*, therefore, they should abstain from voting on the resolution. Save as disclosed above, no other Shareholder or its associate is deemed to have a material interest in any of the resolutions at the 2024 AGM, and no other Shareholder is required to abstain from voting on any resolutions.

Please be advised that pursuant to the Article 62 of the Articles of Association, where a Shareholder pledges 50% or more of his/her equity interests in the Bank, the voting rights of such Shareholder at the 2024 AGM shall be subject to restrictions.

VII. RECOMMENDATIONS

The Board (including the independent non-executive Directors) considers that the resolutions to be proposed at the 2024 AGM are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of all resolutions to be proposed at the 2024 AGM.

By order of the Board
Bank of Qingdao Co., Ltd.*
Jing Zailun
Chairman

Qingdao, Shandong, the PRC
8 May 2025

* *Bank of Qingdao Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry out banking and/or deposit-taking business in Hong Kong.*

**WORK REPORT OF THE BOARD OF DIRECTORS OF
BANK OF QINGDAO CO., LTD. FOR 2024**

To Shareholders:

The year 2024 was the 75th anniversary of the founding of the People's Republic of China, a pivotal year for achieving the objectives and tasks outlined in the "14th Five-Year Plan", and an important year for the smooth transition to the next three-year strategic plan of Bank of Qingdao. The Board of Directors of the Bank proactively responded to multifaceted challenges arising from market fluctuations, conducted scientific assessments of both internal and external development environments, and pursued high-quality development as its overarching priority. With a focus on stabilizing growth, enhancing governance, and controlling risks, the Bank comprehensively advanced the "Five Major Aspects", successfully completed the election of the new session of the Board, and demonstrated united determination to forge ahead with resilience and chart new chapters.

In 2024, the Bank achieved new heights in operational capabilities, consolidated its distinctive advantages, and accumulated fresh growth momentum. The Bank delivered "remarkable performance" characterized by quantitative leaps, qualitative breakthroughs, and steady progress, marking a milestone in its developmental trajectory in the midst of "breaking" and "building". As of the end of 2024, the total assets of the Bank amounted to RMB689.963 billion, an increase of 13.48% over the end of last year; total deposits from customers amounted to RMB432.024 billion, an increase of 11.91% over the end of last year; total loans to customers amounted to RMB340.690 billion, an increase of 13.53% over the end of last year; the operating income (based on ASBE) reached RMB13.498 billion, an increase of 8.22% over the last year; net profit attributable to the parent company reached RMB4.264 billion, an increase of 20.16% over the last year; weighted average return on net assets was 11.51%, an increase of 0.80 percentage point over the last year; non-performing loan ratio was 1.14%, a decrease of 0.04 percentage point over the end of last year; provision coverage ratio was 241.32%, an increase of 15.36 percentage points over the end of last year, the risk replenishment capability maintained sufficient.

In 2024, the Bank was honored with the "Top 500 Most Valuable Brands in China" and "Asia's 500 Most Influential Brands" awards for the eighth consecutive year, and awarded the "Five Star Diamond Award" for the ninth consecutive year. These accolades exemplify the Bank's enduring commitment to quality, service, and innovation, and its founding mission of "Finance for the People". They also reflect the Bank's dedicated efforts in brand building, customer relationships cultivation, which have won the trust and support of its widespread customers.

I. SUMMARY OF THE MAIN WORK OF THE BOARD OF DIRECTORS IN 2024**(I) Strengthening the construction of the Board of Directors to enhance the level of scientific decision-making**

In 2024, the Board of Directors of the Bank focused on its core functions, comprehensively optimized the structure of the Board of Directors, enhanced its ability to perform duties, improved operational mechanisms, and effectively strengthened the Board's decision-making, supervisory and strategic leadership functions. The Bank was awarded the "2024 Best Practice Case of Board of Listed Companies" by China Association for Public Companies due to its innovative initiatives and outstanding performances.

1. *Successfully completed the election of the new session of the Board through forward-looking planning*

In 2024, the Bank methodically carried out the election of members for the ninth Board of Directors, formulated a forward-looking and strategic plan for the election of the new session of the Board, optimized the process of selection and appointment of Directors, strictly complied with relevant internal and external rules and regulations, and closely followed the actual operational needs of the Board of Directors. The Bank was committed to advancing the Board's composition toward diversification, specialization and rationalization, and to building up a team of Directors with both rich experience and professional qualities. Meanwhile, through rigorous evaluation of Directors' work experiences and professional expertise, coupled with prudent assessment and rational reasonable layout, the Bank has achieved scientifically balanced compositions across all specialized Board committees, and has successfully established the Board's decision-making think tank to smoothly complete the transition of corporate governance.

2. *Optimizing mechanisms to improve the scientific decision-making capacity of the Board of Directors*

In 2024, the Bank firmly anchored its efforts to the core objective of enhancing the operational effectiveness of the Board of Directors. Through comprehensive and multi-tiered initiatives, the Bank provided solid safeguards to support the Board in fulfilling its duties with high efficiency. By increasing the frequency of on-site Board meetings, deepening the discussions at the meetings, and broadening the scope of issues to be considered, the Bank has fostered an inclusive and collaborative yet diverse governance atmosphere at the Board meetings. This has transformed the Board into a central hub for consensus-building and scientific decision-making, injecting strong momentum into the Bank's high-quality development. During the year, the Bank held 16 Board meetings, during which 125 resolutions were considered, and 52 reports of various types were heard or reviewed. Meanwhile, the Bank innovatively refined the operational mechanisms of the Board's specialized committees, driving deeper engagement in their respective functions and fully leveraging the committees' professional expertise in supporting the Board. During the year, the Bank convened 45 Board special committee

meetings, during which 101 resolutions were considered, and 48 reports of various types were heard or reviewed, which significantly reflected the committees' advisory and decision-support roles to the plenary Board, and improved the efficiency of decision-making and operation.

3. *Taking multi-measures to enhance the quality and effectiveness of Directors' performance of duties*

To stimulate the initiative and motivation of independent Directors to perform their duties while meeting the external requirements for the performance of their duties, the Bank has proactively created facilitating conditions to provide safeguards for independent Directors to perform their duties in compliance with the regulations by organizing research and training and holding seminars. During the year, independent Directors were organized to visit the Jinan Branch and Linyi Branch to conduct special research, deepening their knowledge and understanding of the Bank's branches and leveraging their professional expertise to empower the development of branches. Through innovative modes of performance of duties, a liaison mechanism was established between the independent Directors of the Risk Management Committee under the Board of Directors and the independent approvers, and a mechanism was established for regular talks among the independent Directors, etc. The Bank prepares and issues the *Directors' and Supervisors Newsletter* on a monthly basis, and reports to the Directors on the Bank's operation and management situation and the latest supervisory developments, which has continuously enhanced the effectiveness of the Directors' performance of duties. To safeguard the legitimate rights and interests of the Bank's Directors and facilitate the fuller exercise of powers and performance of duties by Directors and relevant responsible personnel within their respective scopes of authority, the Bank has procured liability insurance for the relevant personnel.

(II) **Enhancing corporate governance and exploring excellent practices in governance**

In 2024, the Board of Directors of the Bank rigorously implemented the regulatory regulations and requirements, strengthened the foundation of corporate governance, explored excellence in corporate governance practices, and continuously enhanced its governance capabilities and levels.

1. *Improving the corporate governance system through regulatory revisions and system establishment*

The Bank dynamically monitored changes in external laws and regulations and promptly updated its corporate governance system to ensure the timeliness, effectiveness and enforceability of the various systems. During the year, the Bank formulated or revised more than 20 corporate governance systems. At the beginning of the year, the Bank completed high-quality amendments to important institutional documents, including the Articles of Association, Rules of Procedure of the Shareholders' General Meeting, and Rules of Procedure of the Board of Directors; further improved the top-level

authorisation system, standardized the authorisation procedures, implemented the authorisation responsibilities, and improved the Plan on Authorisation to the Board Granted by the General Meeting and the Plan on Authorisation to the President Granted by the Board, and newly formulated the Plan on Authorisation to the Chairman Granted by the Board, to ensure that the authorisation system is scientific and appropriate. Additionally, to effectively enhance the decision-making efficiency of the Board of Directors and promote the standardization, systematization, and institutionalization of the Board's proposal submissions, the Bank formulated the *Administrative Measures for Board's Proposal Submissions* to improve the efficiency and quality of Board decisions.

2. *Consolidating information disclosure and fully leveraging the Bank's role as the capital market window*

The Bank conducted information disclosure activities in compliance with applicable laws and regulations, continuously enhancing the transparency of information disclosure. All material matters disclosed on the Shenzhen and Hong Kong stock exchanges were in a truthful, accurate, complete, timely, and fair manner, providing investors with clear and effective information to support their decision-making. The Bank proactively expanded the depth and breadth of its disclosures by taking the initiative to increase voluntary disclosures, and continuously enriching the scope and dimensions of periodic reports. Adhering to investor needs as its guiding principle, the Bank comprehensively and objectively presented its developments to capital markets. Centering on the theme of high-quality development, the Bank proactively and effectively conveyed its operational strengths and investment value to capital markets through in-depth interpretation of its business performance and analysis of its core competitiveness. In 2024, a total of 195 periodic reports and interim announcements were issued, of which 125 were issued on the SZSE, 70 on the Hong Kong Stock Exchange, and there were no cases of being questioned or penalized by regulators for information disclosure compliance issues. In the information disclosure assessment issued by the SZSE, the Bank was awarded grade A, the highest rating, for the fourth consecutive years.

3. *Deepening relationships with investors and delivering value to drive high-quality development*

The Bank vigorously expanded its “peer group” in capital markets by equally prioritizing the “going out” and “inviting in” dual approach. In terms of “going out”, we went to Hong Kong, Shanghai, Shenzhen and other places to participate in brokers’ strategy conferences and held one-on-one performance roadshows; in terms of “inviting in”, the Bank held high-quality annual performance presentations and invited industry-renowned analysts and institutional investors to visit the Bank for on-site surveys and research, while publicizing and introducing the Bank’s operating highlights and strategic approaches, it also drawing opinions and suggestions from the capital market on the Bank. During the year, the Bank organized more than 50 communication activities of various types, reaching more than 100 institutional investors and industry research

institutes, and doubling the frequency of communication compared with the previous year. The Bank's investor relations work was widely recognized by the capital market, and it was awarded the honorary titles of "Best Practice of Investor Relations Management" and the "Outstanding Practice Cases of 2023 Annual Report Results Presentation Meeting of Listed Companies" by China Association for Public Companies as well as the "Tianma Award for Investor Relations for Listed Companies" by Securities Times.

(III) Focusing on strategic drive and systematically advancing strategic implementation

In 2024, the Bank actively implemented strategic initiatives under its established three-year strategic plan, making steady progress amid a market environment full of opportunities and challenges. The Bank has achieved phased achievements, laying a solid foundation for the realization of its long-term sustainable development goals.

In 2024, the Bank initiated the adoption of the OKR methodology for strategy decoding, and prepared and formed the 2024 handbook of strategic tasks. The Bank disassembled the strategic tasks into quarters in accordance with the SMART (Specific, Measurable, Attainable, Relevant, Time-bound) principle, forming a clear implementation path and measurable evaluation standards, and laying a solid foundation for the implementation of the strategic plan on the ground. The Bank has established and implemented a strategic planning adjustment mechanism, a reporting mechanism, a meeting mechanism, a mechanism for strategic task follow-up and hierarchical management, and other mechanisms to strengthen process management. The Bank reviewed and evaluated the implementation of various strategic tasks on a weekly basis, and convened regular meetings to promote the implementation of strategies, identified problems in the implementation of strategies in a timely manner and took corresponding measures, so that all the strategic tasks have been implemented in an orderly manner according to the plan.

Aligned with its strategic objectives of "leading quality and efficiency, outstanding features and flexible mechanism", the Bank enhanced asset allocation optimization and rigorous cost control in 2024, driving continuous improvement in ROE. The Bank was fully committed to building its four characteristics of integrated operations, retail banking, asset-light banking, and blue finance, and fully utilized its multi-license advantages. Meanwhile, the Bank has strengthened cross-functional synergy between headquarters, branches, and sub-branches, integrated its profit centers, and comprehensively enhanced its customer service capability by uniformly planning, scheduling, and allocating its resources from the customer's point of view, so as to improve its business performance steadily amidst the fierce market competition.

(IV) Focusing on the main responsibilities and businesses, and conducting practical and detailed “Five Major Aspects”

In 2024, the Bank grounded in its fundamental mission of financial services for the real economy, concentrated on key sectors to fully advance the “Five Major Aspects”. Through multifaceted initiatives, the Bank laid a solid foundation for regional economic development, social livelihood improvements, and its own high-quality growth, demonstrating the commitment and responsibility of a financial institution.

1. *Technology finance: leveraging innovative engine to assist technology enterprise development*

Guided by policies and supported by cooperation, the Bank has continuously enhanced the intensity, breadth, and precision of its financial support for technological innovation, and has transitioned from traditional credit model of “focusing on financial statements and collateral” to “emphasizing the future and the present”. The Bank has created a financial brand “BQD Technology - Growth Companionship”, providing full-life cycle services for technology innovation enterprises. Through in-depth analysis of the differentiated funding needs of technology enterprises from start-up to maturity, the Bank has created a tailored step-by-step credit support program for them. The Bank has established in-depth strategic cooperation partnerships with many venture capital institutions and industry funds to develop a “Investment-Loan Synergy Consortium”, creating a new situation of multiple financing services integrating equity and debt.

2. *Green finance: Practicing green concepts to build an eco-conscious home together*

The Bank has further elevated its “Green Bank” identity, improved the long-term development mechanism of green finance, created the distinctive financial brand of “BQD Green Finance”, forming a “product-driven, system-enabling” green financial service model. Targeting low-carbon transition enterprises, the Bank launched the “New Quality – Carbon Benefit Loan”, which offers differentiated interest rates according to the green development indicators of the enterprises, and encourages them to speed up the application of green technologies and the upgrading of production processes. The Bank launched the green finance business management system, leveraging technology to empower the identification and recognition of green projects, realizing the online environmental benefit measurement and carbon accounting, and providing strong support for the precision management and efficient operations in green finance business. The Bank successfully issued a substantial green debt securities, with funds raised exclusively allocated to support the construction of local renewable energy projects and ecological conservation protection projects, contributing to reducing carbon emissions and improving the ecological environment.

3. *Inclusive finance: extending our services to empower small and micro enterprises and agriculture, rural areas, and rural residents*

The Bank thoroughly implemented the principle of “Finance for the People”, committing to inclusive development by rooting services in people and benefiting small and micro enterprises, empowering rural revitalization, thereby promoting the “popularization” of financial services for the people with a wider coverage and the “benefit and convenience to customers” with a higher accessibility. To meet the diverse needs of different inclusive finance customer segments, the Bank launched a series of digital inclusive financial products in 2024, including “Inclusive e-Financing” (普惠融), covering multiple industry scenarios such as manufacturing, agriculture, and services. The Bank has intensified professional training for its inclusive finance team to enhance staff capabilities in risk identification, product recommendations, and service communication for inclusive customers. By leveraging financial technology solutions, the Bank has optimized the approval process of inclusive finance business, improved the efficiency of the approval process, and realized online and automated approval, so that small and micro enterprises and “agriculture, rural areas, and rural residents” entities could obtain capital support more quickly, and helped them stabilize their operations and grow stronger.

4. *Pension finance: focusing on the needs of the elderly to create special services*

Guided by the conception of respecting, supporting, assisting, and caring for the elderly, the Bank innovated financial products for the elderly, expanded the connotation of financial services for the aging, strengthened financial support for the healthcare, pension industry, and silver economy sectors, actively integrated into the construction of an age-friendly society to provide the elderly with more quality and warmth of financial services. The Bank formulated the *Opinions of Bank of Qingdao on the Implementation of Pension Finance*, which defined the three-year development plan for pension finance and constituted a special task statement for the development of pension finance, thereby enriching the financial product system for pension services and expanding the financial customer base in the pension industry. Based on the business model of pension enterprises, the Bank created an “Easy Enterprise Loan for Elderly” to meet the needs of pension institutions for new construction, daily operation, upgrading and improvement, and the purchase of facilities. The Bank allocated exclusive credit lines and issued credit funds to certain pension enterprises.

5. *Digital finance: expanding the digital scenario and opening a new chapter in intelligent finance*

The Bank has taken digital intelligence as its wing, deepened its digital financial transformation, continued to increase its investment in financial technology resources, actively explored the practical application of new concepts and technologies, and strived to build a complete financial technology support and innovation system, which has contributed to the continuous enhancement of its digital intelligence capabilities. The

Bank has built a digital intelligence marketing system to enhance the effectiveness of its financial services. It has deepened its cooperation with external institutions, promoted financial product innovation, built an intelligent risk control system for the entire process, and improved the pre-loan, in-loan, post-loan and anti-fraud management systems. The Bank has accelerated the digital transformation of its operational processes to achieve closed-loop online processing of high-frequency processes. It has strengthened its data infrastructure and empowered the application of data in key areas through the construction of a common data model. The Bank continued to iterate the new core platform functions to build a smart credit and financial cloud platform support system. The Bank innovatively applied artificial intelligence technology, independently developed intelligent service tools, and explored the in-depth application of big models in diversified scenarios.

(V) Adhering to compliance and prudence, and deepening comprehensive risk management

The Board of Directors of the Bank has been adhering to the eternal theme of risk prevention and control in financial operations, strictly implementing the deployment and requirements of the CPC Central Committee and the State Council on preventing and mitigating financial risks, while fostering and practicing sound approaches to business conduct, performance evaluation, and risk perception. By strengthening comprehensive risk management, reinforcing compliance safeguards, and refining internal control mechanisms, the Board ensured the full utilization of audit oversight to assess risk prevention and control and internal control. Identified issues were promptly rectified, enabling continuous enhancement of the Bank's risk management capabilities and safeguarding steady and sustainable development.

1. Enhancing the effectiveness of comprehensive risk management

The Bank has standardized its risk appetite, formulated the *Statement of Risk Appetite of Bank of Qingdao Co., Ltd. in 2024*, adding early warning value for risk appetite indicators to standardize the regular reporting and handling procedures in case of a breach of the early warning value, realize forward-looking control of the risk appetite indicators, and refine the various risk control dimensions. Meanwhile, the Bank has set up distinctive risk appetite indicators and risk limits for its subsidiaries, so as to ensure the effective transmission of the risk appetite of the Group. The Bank extended the reach of comprehensive risk management to promptly identify emerging risks in new sectors. In alignment with regulatory guidelines and benchmarking against advanced peers, the Bank revised the *Comprehensive Risk Management Measures of Bank of Qingdao* to formally incorporate country-by-country risk, environmental and social risk into the comprehensive risk management system. The Bank has established a monthly comprehensive risk management KRI monitoring mechanism to continuously strengthen the monitoring of risk appetite implementation.

2. *The “three lines of defense” safeguarded stable operation*

In 2024, the Bank vigorously advanced management capabilities, comprehensively initiated reforms to its internal control system, and fully developed an integrated “Intelligent Control” platform. The six key internal control measures - “Regulatory Control”, “Inspection Control”, “Supervisory Control”, “Penalty Control”, “Automated Control”, and “Training Control” progressed in parallel, accelerating the transformation and upgrading of internal control and compliance management. The Bank has redefined internal control responsibilities, refining nearly 20 compliance management systems related to internal control. It established a “three lines of defense” for internal control with reasonable and clear division of work and responsibilities and clear reporting lines. The Bank fostered a proactive, risk-aware compliance culture across all employees, laying a solid foundation for synchronized improvement in both internal control management and business growth. The Board of Directors has continued to strengthen the long-term internal control and compliance mechanisms, regularly reviewing internal control evaluation reports and rigorously advancing initiatives such as case prevention and control, and anti-money laundering efforts, ensuring orderly progress in remediation work. By establishing a steering group for internal supervision and coordination, integrating and linking functions from internal control, compliance, auditing, Party disciplinary inspections, and disciplinary supervision with risk prevention and control and inspection oversight as their main responsibilities, combining the disciplinary inspection department stationed at the Bank, the supervisory functions of the Board of Directors and the Board of Supervisors, and third-party audit agencies, the Bank assembled all available supervisory functions and resources leveraging a joint meeting mechanism to build the “Greater Supervision” management system.

3. *Giving full play to the audit and supervision functions*

The Board of Directors, in close alignment with the Bank’s strategic transformation and development requirements, has strengthened the coordination of audit work while expanding the breadth, depth, and precision of audit oversight, thereby fully executing its audit supervision responsibilities in accordance with laws and regulations. During the year, the Board of Directors regularly reviewed or listened to internal audit work reports, special audit reports, rectification reports, as well as performance summaries from external auditors, etc. The Board emphasized on the communication and exchange with both internal and external auditor, and put forward constructive and sound strategies to improve the efficiency of auditing. The Board of Directors successfully launched Phase II of the new-generation intelligent audit system, which realized the functions of audit early warning, model exploration and management, query verification, flexible query, and issue repository management, providing robust support for intelligent and data-driven auditing work. It strengthened the auditing of new products and businesses, conducting special audits on custody business and capital management to ensure the compliant and sound development of new business operations.

(VI) Optimizing consolidated management to enhance the Group's management efficiency

With the objective of enhancing the Group's overall value creation and risk resilience, the Board of Directors of the Bank has strengthened the construction of the Group's management mechanism from the Group's perspective, optimized management synergy between the Bank and its subsidiaries, and enhanced the level of management refinement.

1. *Comprehensively standardizing and improving the Group's consolidated management system with a focus on institutional mechanism development*

Governance by systems comes first in standardized management. While refining consolidated management measures, the Board continuously enhanced the Group's consolidated management system during the year. On the one hand, the original consolidated management measures and the working rules of the Equity Investment Committee were revised and updated; on the other hand, the Equity Investment Management Measures and the Comprehensive Evaluation Management Measures for Subsidiaries were formulated in a forward-looking manner to ensure that the system construction was in line with the Group's business development.

2. *Focusing on enhancing the efficiency of group consolidated management as the core, strengthening parent-subsidiary collaborative governance*

Focusing on the Bank's group-based operation and management under the "One Body, Two Wings" strategy, the Board of Directors regularly reviewed consolidated management reports, evaluated the previous year's performance, strategically deployed work plans for next year, strengthened the coordinated planning and standardized management across the Group's member entities, and ensured effective oversight and guidance from the vertical departments of head office to subsidiaries. The Board of Directors has innovatively formulated a work plan to enhance the effectiveness of the Group's consolidated management, refined management measures in six major areas, including corporate governance, manpower and risk, and comprehensively optimized the guidance to subsidiaries, achieving effective control of relevant risks and efficient business synergies.

(VII) Coordinating capital management and promoting light capital transformation

The Board of Directors of the Bank has rigorously fulfilled its capital management responsibilities by optimizing the top-level design of capital management, strengthening capital coordination and management, and promoting the transformation of the Bank's operation and management to capital intensification.

1. *Improving the capital management system and leveraging management effectiveness*

With the goal of improving capital and risk management, the Bank has built a comprehensive capital management system, revised and improved the capital management system, optimized the internal capital adequacy assessment program, established a capital-intensive management mechanism, and gradually built up a full-process management mechanism from capital planning and allocation in the early stage, capital measurement and monitoring in the mid-stage, and capital evaluation and feedback in the late stage. The Board of Directors considered and approved the *Capital Planning and Capital Adequacy Ratio Management Plan for 2024-2026*, which sets appropriate capital adequacy ratio management targets to ensure that the target capital adequacy level continues to comply with regulatory requirements and is commensurate with the business development strategy, risk appetite, risk management level and external operating environment.

2. *Implementing the new capital regulations to enhance the refinement of capital measurement*

With the objectives of complying with the requirements of the new capital regulations and enhancing measurement refinement, the Bank has promoted the construction and online launch of the RWA Capital Management System, Market Risk Management System and Operational Risk Management System through digital empowerment, which has significantly enhanced the refined measurement of capital, effectively reduced the capital consumption for existing businesses, and strengthened the capital foundation for the long-term development of the Bank's businesses.

3. *Optimizing the intermediate business income structure and increasing its contribution ratio*

To promote the high-quality development of the intermediary businesses, the Bank has been proactively exploring new analytical methods and management strategies to enhance the management effectiveness of the intermediary businesses, to promote the growth in intermediate business income based on the business, and to facilitate the development of light capital. Guided by the development strategy of "consolidating strengths, addressing weaknesses, reinforcing deficiencies, and enhancing synergies" for intermediate business income, the Bank has established an intermediate business income platform for synergistic development of the Group, made great efforts to support the non-interest income, broadened the channels for intermediate business income by leveraging its licensing advantages, and led the Bank to focus on the development of capital-light intermediary businesses such as agency and distribution businesses and bond underwriting, so as to optimize the intermediate business income structure.

(VIII) Advancing digital transformation in depth by adhering to technology empowerment

In 2024, the Board of Directors continued to drive technology-enabled business growth, accelerating the implementation of our digital transformation strategy. We have made steady progress in enhancing bank-wide data governance capabilities, improving operational efficiency, reducing operating costs, and delivering more convenient and efficient financial services to our clients.

1. Strategic leadership with reinforced core technological capabilities

The Board of Directors considered and approved the *2024-2025 Information Technology Strategic Planning*, which is guided by the principles of “extensive research, independent design, and pragmatic effectiveness”. With digital transformation as its main line and technological capability enhancement as the key focus, the Plan aims to drive high-quality development across the Bank’s business operations. The Board of Directors has finalized the large model development plan to serve the scenarios including “intelligent credit”, “remote banking”, “retail intelligent marketing”, and “office application”. By expanding the field of self-development, and focusing on the areas of mobile channels, scenario operations, data empowerment, credit cards, marketing empowerment, financing platforms, the Bank has successfully put into production a number of batches of self-development projects, and incubated and built the foundational technology platform for the Polaris Scheduling Center.

2. Integrating industry and technology to accelerate the development of digitalization

Focusing on the strategic objectives of digital transformation, the Bank has made deep efforts to expand the scope and breadth of its business through developing online channels, deepen the depth of its business by digging into business scenario through the construction of scenarios, enhance user stickiness by continuously improving user experience, accurately manage and control risks through digital risk control, and improve the quality and efficiency of its internal management by continuously upgrading its scientific and technological data capabilities, and create an innovative breakthrough in financial technology from N to N+1 by relying on the technology ecosystem alliances. Meanwhile, based on the flexible mechanism of corporate banks, the Bank rapidly promoted the integration of industry-technology-digitalization, which would enable the high-quality development of the businesses.

3. Comprehensively enhancing technology management standards through multi-dimensional initiatives

The Board of Directors has improved the IT institutional framework system, combined with advanced risk management concepts, and revised the *Measures for Information Technology Risk Management of Bank of Qingdao*, aiming to further strengthen the effectiveness and precision of IT risk management. The Board of Directors assisted subsidiaries in evaluating organizational planning, improving disaster recovery plan,

identifying security risks and building infrastructural environments to effectively enhance the Group's IT management standards. It formulated and issued outsourcing access and other systems to strengthen the qualification audit of suppliers and strictly control the accession of outsourcing; and launched important off-site outsourcing inspections to prevent and control outsourcing service risks. The Board of Directors has established ten specialized task forces, including a capital risk screening team, adopting a project-driven approach that integrates hands-on execution with professional training to cultivate professional scientific and technological talents.

II. PROSPECTS FOR THE KEY WORK OF THE BOARD OF DIRECTORS IN 2025

2025 marks the last year of the "14th Five-Year Plan". For the Bank, it is also the decisive year for achieving its three-year strategic plans. The Board of Directors of the Bank will continue to adhere to the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the spirits of the 20th National Congress of the Communist Party of China (CPC), the Second and Third Plenary Sessions of the 20th Central Committee of the CPC, the Central Economic Work Conference, and the Central Financial Work Conference. We will strengthen Party-building leadership and strategic guidance, concentrate on our core responsibilities and primary business, adhere to prudent operations, and prioritize a people-centered approach. By taking solid strides in advancing high-quality development, we aim to contribute the strength of BQD to advancing modernisation with Chinese characteristics.

(I) Preparing of the new three-year strategic plan through forward-looking positioning

In 2025, the Board of Directors of the Bank will lead the entire Bank in initiating the preparation of a new three-year strategic plan. Through in-depth analysis of external policies, market environment, risk appetite, capital positions, and internal capabilities, we will closely follow the scientific, rational, effective, flexible and adaptable development strategy. By seizing strategic opportunities, clarifying strategic objectives, and establishing robust strategic decoding, we aim to unify efforts through this plan and chart a new blueprint for the high-quality sustainable development of the Bank.

(II) Advancing modern corporate governance through upholding righteousness and expanding new ideas

In 2025, the Board of Directors will continue to advance the integration of Party leadership into corporate governance, standardize the operation of corporate governance, and optimize the top-level governance system. Aligned with the requirements of the new *Company Law*, the Board will formulate a plan to restructure the corporate governance and construct the supporting systems to refine the top-level governance structure and systems, thereby significantly enhancing the efficiency of the Board's performance of its duties. The Board will innovate in fulfilling its duties by fully leveraging the role of independent Directors to practically safeguard the rights and interests of minority shareholders and stakeholders.

(III) Strengthening risk management barriers to ensure long-term stability

In 2025, the Board of Directors will persistently fortify the “protective barriers” against financial risks, comprehensively enhance capabilities in risk prevention and mitigation, and maintain forward-looking strategic vision and acute insight to continuously strengthen the proactiveness, precision, and effectiveness of risk prevention and control. The Board will actively advance the level of digitalized risk control by integrating internal and external data, consolidating the risk database, refining data analysis, and establishing a digital risk control system. Focusing on high-risk areas, the Board will launch a specialized project to enhance internal control in the entire process by incorporating regulatory requirements, internal audit findings, daily operational performance, and key incident resolutions. Specialized recommendations for internal control improvements will be formulated to strengthen internal control weaknesses in a targeted manner.

(IV) Sparing no effort in developing the intermediary business by consolidating the strength and making up for the weakness

In 2025, the Board of Directors will continue to adhere to the principle of serving the real economy, actively respond to the national policy of reducing fees and making interest concessions, and move towards a new stage of high-quality development of the intermediary business. The Board of Directors will consolidate the Bank’s strengths in wealth management and asset management businesses, continuing to serve as the “ballast” for intermediate business income. Efforts will be made to address weaknesses in customer base, product offerings, and channels to steadily expand the company’s intermediate business income contribution. Focus will be placed on strengthening settlement and guarantee businesses as well as leveraging licenses and qualifications, building on the development mechanisms of “investment-to-custody linkage, sales-to-custody linkage, underwriting-to-custody linkage, and market linkage” to cultivate new profit growth drivers. Emphasis will be placed on enhancing group-wide coordination, head office-branch synergy, and inter-departmental collaboration to drive intermediate business income growth in wealth management, investment banking, custody businesses, and other areas.

(V) Unleashing the power of information technology through digitalization

In 2025, the Board of Directors will make every effort to promote digital transformation, comprehensively enhance IT risk management capabilities, and build a refined IT management system. The Board of Directors will persist in giving priority to the development of mobile products and services, adhere to the customer-centric service philosophy, continue to enhance the ability to provide online services to customers. It will create a marketing system with ecological links and intelligent, and enhance the innovation ability of business products. The Board of Directors will establish a four-dimensional integrated evaluation system encompassing “projects-products-systems-data”, and set up a continuous iteration mechanism for the optimization of customer experience, products, systems, and processes, and improve the comprehensive data security protection system. The Board of Directors will persistently

advance the development of the Bank's technology capability ecosystem, and explore the establishment of technology ecosystem alliances to effectively enhance the market competitiveness of the Bank's core products and services.

Please consider.

**THE WORK REPORT OF THE BOARD OF SUPERVISORS OF BANK OF
QINGDAO CO., LTD. FOR 2024**

To Shareholders:

In 2024, the Board of Supervisors of the Bank independently exercised its authorities in accordance with the law, diligently performed its supervisory duties, and effectively safeguarded the legitimate interests of the Bank, its shareholders, and employees in strict compliance with laws, regulations, regulatory requirements, and the *Articles of Association of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the “*Articles of Association*”), playing a proactive role in advancing the Bank’s steady and high-quality development. The main work of the Board of Supervisors in 2024 and the work plan for 2025 are reported below:

I. MAIN WORK OF THE BOARD OF SUPERVISORS IN 2024**(I) Implemented corporate governance procedures and performed duties in compliance with the law and regulations**

Firstly, the Board of Supervisors completed the re-election and appointment of the Board of Supervisors smoothly. In 2024, the term of the eighth session of the Board of Supervisors of the Bank expired. The Board of Supervisors strictly complied with the relevant provisions of external laws and regulations and the Bank’s *Articles of Association* in organizing the nomination and recommendation of candidates for Supervisors. After consideration by the Nomination and Evaluation Committee of the eighth session of the Board of Supervisors at its eighth meeting and the 24th meeting of the eighth session of the Board of Supervisors, candidates for Shareholder Supervisor and external Supervisors of the ninth session were elected by the Board of Supervisors and were submitted to the Shareholders’ General Meeting for consideration and approval. Meanwhile, the Board of Supervisors appointed members to attend the re-election meeting of the Board of Directors and supervised the whole process of the re-election procedures of the Board of Directors to ensure the smooth progression of the re-election, which laid a solid foundation for the efficient and standardized operation of the Bank’s corporate governance.

Secondly, the Board of Supervisors organized and convened meetings to effectively carry out regular supervision. In 2024, the Board of Supervisors held a total of 7 meetings, including 3 on-site meetings and 4 correspondence voting meetings, at which 20 proposals were considered and approved, such as the president’s work report, report for final financial accounts, and profit distribution plan, and 46 reports were heard or reviewed, such as comprehensive risk management reports, internal audit reports, financial supervisory notifications and rectification reports. Throughout the year, the Board of Supervisors held a total of 7 meetings of specialized committees, including 5 meetings of the Supervisory Committee and 2 meetings of the Nomination and Evaluation Committee, at which a total of 17 proposals were deliberated, and 43 reports of various types were heard or reviewed. Through convening meetings, the Board of Supervisors conducted sufficient research and discussion on major issues related to the development of the entire Bank, expressed objective and independent opinions and suggestions, and effectively carried out regular supervision.

Thirdly, the Board of Supervisors strengthened the supervision of daily performance of duties and actively attended relevant meetings. In 2024, the Board of Supervisors organized Supervisors to attend the shareholders' general meeting and the on-site meetings of the Board of Directors and review the documents of the Board of Directors' meetings and supervised the procedures of convening the meetings, the matters to be considered, the procedures of voting, and the Directors' fulfillment of their duties according to the law. Employee Supervisors participated in important meetings of the Bank such as the Party Committee and Executive Committee to keep abreast of the Bank's important decisions and deployments, and put forward supervisory proposals in a timely manner, so as to fully fulfill the supervisory duties of the Board of Supervisors.

Fourthly, the Board of Supervisors earnestly carried out the annual evaluation of the performance of duties. In 2024, the Board of Supervisors dynamically optimized and adjusted the performance evaluation plan in accordance with the five evaluation dimensions of regulatory requirements, including "fulfilling the duty of loyalty, fulfilling the duty of care, professionalism in performance of duties, independence and moral standards in performance of duties, and compliance in performance of duties". By reviewing performance records, collecting and organizing daily performance information, summarizing task completion status, and referencing specialized performance evaluation reports from intermediary agencies, the Board of Supervisors formed objective and fair evaluation results. Through performance evaluations of the Board of Directors and its members, Supervisors, senior management, and senior executives, the Board of Supervisors encouraged all corporate governance entities to perform their duties more diligently and enhance their sense of responsibility. The 2023 performance evaluation results have been duly reported to the shareholders' general meeting and submitted to regulatory authorities in accordance with regulations.

(II) Continuously deepened key supervision areas to serve the high-quality development of the whole Bank

Firstly, the Board of Supervisors focused on strategic advancement and conducted in-depth evaluation of strategy execution. The Board of Supervisors regularly reviewed reports on the implementation of strategic plans, continuously strengthened supervision of the execution process, and provided forward-looking recommendations based on the external economic and financial landscape as well as the Bank's actual conditions to enhance the effectiveness of strategic supervision. An annual strategic plan appraisal was conducted, centering on the three major strategic objectives of "leading quality and efficiency, outstanding features and flexible mechanisms", along with the four strategic themes of "adjusting the structure, strengthening the customer base, optimizing the synergies and improving the capabilities" to assess the annual strategic implementation. The Board of Supervisors offered recommendations to guide the next phase of strategic development to ensure the scientific, rationality, and robustness of the strategic plan. Through these efforts, the Board of Supervisors aligned its supervision with the Bank's strategic transformation in synergistic resonance.

Secondly, the Board of Supervisors strengthened financial supervision to facilitate the realization of steady operations. The Board of Supervisors of the Bank paid close attention to the impacts of external economic conditions and regulatory policies on the Bank. It diligently reviewed periodic reports, supervised the preparation and auditing procedures of these reports and the authenticity and completeness of their content, and provided clear opinions. The Board of Supervisors monitored major financial decisions and their implementation, reviewed resolutions such as report for final financial accounts and profit distribution plan, and ensured the truthfulness, accuracy, and completeness of financial information. It emphasized the professionalism and quality of external auditors, supervised the compliance and fairness in appointing, dismissing, or reappointing external auditors, as well as the independence and effectiveness of external audits to effectively protect Shareholders' interests.

Thirdly, the Board of Supervisors deepened the internal control and supervision of risks and firmly observed to compliance and risk control standards. The Board of Supervisors kept a close eye on risk management policies, focused on the establishment of the Bank's comprehensive risk management mechanism and monitored the effectiveness of comprehensive risk management. It acknowledged the active roles played by the Board of Directors and senior management in key risk areas including credit risk, liquidity risk, market risk, operational risk, off-balance sheet business risks, implementation of the expected credit loss approach, reputational risk, as well as money laundering and terrorist financing risks and provided targeted recommendations for improving risk management. The Board of Supervisors received or reviewed regulatory notifications and corresponding rectification reports, special audit reports and rectification reports, management recommendation letters and improvement initiatives. By incorporating insights from regulatory authorities along with internal and external auditors' inspections, it ensured rectification of identified issues to enhance compliant operation level. Particular attention was given to addressing the Bank's internal control weaknesses through periodic review of internal control evaluation reports. The Board of Supervisors monitored the soundness and effectiveness of the internal control system while continuously tracking the performance of duties of the Board of Directors and senior management in internal control and compliance areas such as consumer rights protection, fraud prevention, and staff conduct management, and recognized their efforts in these domains. The Board of Supervisors exercised its data governance supervision responsibilities by reviewing data governance reports and promoting continuous optimization of the Bank's data governance system to improve data quality.

(III) Improved the working mechanism to enhance the quality and efficiency of supervision effectively

Firstly, the Board of Supervisors strengthened closed-loop management of its recommendations. In 2024, the Board of Supervisors actively expanded its supervision methods and channels. It directed its executive office to systematically compile and summarize opinions and recommendations from Supervisors, with particular focus on key supervision areas such as loan concentration and capital management. The Board of Supervisors issued "supervision warning letters" to relevant departments including the Risk Management

Department and the Planning & Finance Department. By closely tracking feedback and implementation of these recommendations, the Board of Supervisors significantly enhanced the effectiveness of its supervision.

Secondly, the Board of Supervisors continuously improved supervision approaches to further enhance the effectiveness of external Supervisors' work. During the year, the external Supervisors held discussions with principal responsible persons from head office management departments including the Audit Department, Legal & Compliance Department, and Risk Management Department, gaining in-depth understanding of business line management and providing targeted work guidance. By visiting branch institutions such as Dezhou Branch and Laoshan Sub-branch, they listened to frontline staff's suggestions. Through this "down-to-the frontline" supervision approach, they finished the "last mile" of supervision, effectively urged branch institutions to promptly address shortcomings and strengthen weak areas, and continuously assisted them in enhancing risk prevention capabilities.

Thirdly, the Board of Supervisors strengthened its guidance to subsidiaries to promote compliant operations of subsidiaries' board of supervisors. The Board of Supervisors focused particularly on the development of corporate governance mechanisms of BQD Financial Leasing, BQD Wealth Management, and paid attention to the regularity of corporate governance. Through on-site inspections of operations of board of supervisors of subsidiaries, the Board of Supervisors of the Bank issued supervisory recommendations to assist subsidiaries to continuously improve their internal governance structures. These efforts have effectively supported the efficient and orderly functioning of board of supervisors of subsidiaries.

Fourthly, the Board of Supervisors carried out special research to continuously enhance research quality and effectiveness. During the year, the Board of Supervisors organized external Supervisors to conduct special research at Jinan Branch and Linyi Branch, gaining a thorough understanding of the challenges and difficulties in grassroots operations and management, while providing systematic and targeted suggestions. The special research reports received significant attention from both the Board of Directors and senior management, ultimately making positive contributions to the Bank's business development.

(IV) Strengthened self-construction to improve performance ability continuously

In 2024, against the backdrop of deepening corporate governance and tightening regulatory environment, the Board of Supervisors of the Bank continued to strengthen its own capacity, focused on the study of new regulations, organized Supervisors to participate in various kinds of thematic trainings, strengthened the exchange and study of peers, firmly established the awareness of compliance in performing its duties and continuously improved its ability to perform its duties.

Firstly, the Board of Supervisors arranged for Supervisors to attend various training programs organized by regulatory authorities, which ensured their comprehensive understanding of the latest regulatory policies and clarified focus and orientation for their future performance;

secondly, the Board of Supervisors organized all Supervisors to participate in special training on laws and regulations, with particular emphasis on interpreting newly revised and implemented laws and regulations, including the new *Company Law*, to continuously enhance compliance awareness of performance of duties and performance capabilities; thirdly, all Supervisors reviewed the *Newsletter of Directors and Supervisors* prepared by the Bank every month, so as to keep abreast of the Bank's operation and management dynamics; fourthly, the Board of Supervisors actively carried out in-depth exchanges with city commercial banks and rural commercial banks inside and outside the province, so as to continuously broaden the horizons of Supervisors in discharging their duties, and to explore and enrich the practices of the Board of Supervisors.

II. INDEPENDENT OPINIONS OF THE BOARD OF SUPERVISORS ON RELEVANT MATTERS

(I) Legal operation

In 2024, the Bank maintained law-abiding operation and decision-making procedures were in compliance with the applicable laws, regulations and the *Articles of Association*. There was no breach of the applicable laws and regulations and the *Articles of Association* or any act which would harm the interests of the Bank and its Shareholders by any Directors or senior management in the process of business operation and management.

(II) The actual situation of financial report

KPMG Huazhen LLP and KPMG have separately audited the Bank's annual financial statements prepared in accordance with the PRC Accounting Standards for Business Enterprises and the IFRS Accounting Standards, and separately issued unqualified audit reports thereon. The Board of Supervisors considered that the financial statements were true, accurate and complete, reflecting the Bank's financial position and operating results.

(III) Acquisition and disposal of assets

During the reporting period, the Board of Supervisors did not find any insider trading, any conduct that damaged Shareholders' rights and interests or caused loss of assets in the process of acquisition or disposal of assets.

(IV) Related party transactions

As for the related party transactions that occurred during the reporting period, the Board of Supervisors did not find any behaviors that violated the principle of fairness or damaged the interests of the Bank and Shareholders.

(V) Internal control

The Board of Supervisors considered the *Internal Control Self-Assessment Report of Bank of Qingdao Co., Ltd. for 2024* and had no objection to the contents of the report. During the reporting period, no major defect was spotted in the integrity, rationality, effectiveness and implementation of the Bank's internal control mechanism and system.

(VI) Implementation of resolutions of the shareholders' general meeting

The Board of Supervisors had no objection to the reports and proposals submitted by the Board of Directors to the shareholders' general meeting of the Bank for consideration in 2024; supervised the implementation of the resolutions of the shareholders' general meeting, and believed that the Board of Directors had conscientiously implemented the relevant resolutions of the shareholders' general meeting.

(VII) Information disclosure

During the reporting period, the Bank complied with the regulatory requirements to fulfil its information disclosure obligations, conscientiously implemented the information disclosure management system, disclosed information in a timely and fair manner, and ensured that disclosed information is true, accurate and complete.

III. WORK PLAN FOR 2025

The year 2025 is the final year of the "14th Five-Year Plan" and also the final year of the Bank's three-year strategic plan. The Board of Supervisors will, in accordance with the requirements of the laws and regulations and the Bank's *Articles of Association*, closely focus on strategic planning, operation and development strategies, and corporate governance requirements, actively adapt to the development of new situations and changes, and implement the functions of the Board of supervisors. With a focus on safeguarding the Bank's long-term value as the core objective, the focus will be on the following aspects:

(I) Focusing on key supervision areas to improve supervision effectiveness

Firstly, the Board of Supervisors will focus on deepening supervision of the implementation of the strategic plan. The Board of Supervisors will continue to pay attention to the implementation effect of strategic decisions, and strengthen strategic plan evaluation, to provide supervision and guarantee for the smooth advancement of the three-year strategic plan to be successfully completed. Secondly, the Board of Supervisors will continue to do a good job in financial supervision and key risk internal control supervision, urge the Bank to improve its risk management and control capabilities, and at the same time pay attention to the work of the new accounting firms and provide timely reminders of the risks identified in the course of supervision, so as to effectively safeguard the legitimate rights and interests of the Bank and its Shareholders. Thirdly, the Board of Supervisors will focus on the rectification and

implementation of problems found by regulatory agencies and internal and external audit institutions, adhere to the problem orientation approach and closely follow development practices, aiming to ensure the stable operation of the Bank.

(II) Closely monitoring the changes in the regulatory policies and conscientiously performing supervision duties

Firstly, the Board of Supervisors will ensure that the meetings of the Board of Supervisors and its special committees are held in a standardized and efficient manner, and that the latest regulatory policies and the Bank's strategic tasks are diligently implemented. The Board of Supervisors will timely increase and adjust relevant resolutions and organize Supervisors to exercise their supervision and voting rights prudently in accordance with the law to ensure the effectiveness of the supervisory work by the Board of Supervisors; secondly, the Board of Supervisors will adhere to the principle of upholding righteousness and expanding new ideas, study the restructure plan of the corporate governance, complete the reform of the corporate governance structure in a timely manner and achieve the smooth transition of the functions among the corporate governance entities especially in conjunction with the requirements of the new *Company Law*, so as to ensure the continuity and effectiveness of the corporate governance structure.

(III) Strengthening self-capacity building to enhance the ability to supervise the performance of duties effectively

Firstly, the Board of Supervisors will continue to enrich the training and learning methods, organize Supervisors to participate in various training activities conducted by regulatory authorities of Hong Kong and China, association for public companies, and support Supervisors to continuously improve their ability to perform their duties, for the purpose of keeping abreast of the national governmental policies and regulatory policy directions, and facilitating the Board of Supervisors in better performing its supervisory duties; secondly, the Board of Supervisors will continuously strengthen peer-to-peer exchanges and learn from working practices in the same industry, so as to help Supervisors to open up working ideas, innovate working methods, optimize working processes and enhance working effectiveness; thirdly, the Board of Supervisors will conduct in-depth research on external Supervisors, make full use of the professionalism and independence of external Supervisors, focus on the pain points and difficulties in the Bank's operation and management, and provide opinions and suggestions to the Board of Directors and the management in a timely manner to propel the Bank's high-quality and sound development.

Please consider.

ESTIMATED AMOUNT OF THE ORDINARY RELATED PARTY
TRANSACTIONS OF BANK OF QINGDAO CO., LTD. FOR 2025I. ESTIMATED CLASSIFICATION AND AMOUNT OF THE ORDINARY RELATED PARTY
TRANSACTIONS

No.	Related party	Contents of Related Party Transactions	2025 Estimated Amount (RMB100 million)	Trading Balance/ Transaction Amount as at the End of Last Year (RMB100 million)
1	Haier Group Corporation and its related parties	Credit businesses	45.75	22.43
		Deposit businesses	67.08	0.60
		Other non-credit businesses	0.02	–
2	Intesa Sanpaolo S.p.A. and its related parties	Credit businesses	2.00	–
		Deposit businesses	1.50	–
		Other non-credit businesses	5.25	0.08
3	Qingdao Conson Development (Group) Co., Ltd. and its related parties	Credit businesses	36.10	13.94
		Deposit businesses	9.50	0.36
		Other non-credit businesses	0.17	0.05
4	BQD Financial Leasing Company Limited	Credit businesses	40.00	7.00
		Deposit businesses	46.00	–
		Other non-credit businesses	0.06	4.05
5	BQD Wealth Management Company Limited	Deposit businesses	11.00	2.25
		Other non-credit businesses	117.70	13.16
6	Tsingtao Brewery Co., Ltd.	Credit businesses	21.00	–
		Deposit businesses	45.00	36.00
7	Qingdao Rural Commercial Bank Co., Ltd.	Credit businesses	40.00	4.95
		Deposit businesses	20.00	–
		Other non-credit businesses	5.12	–
8	Zaozhuang Bank Co., Ltd.	Credit businesses	10.00	0.55
		Deposit businesses	5.00	–
		Other non-credit businesses	3.01	–

APPENDIX III**ESTIMATED AMOUNT OF THE ORDINARY
RELATED PARTY TRANSACTIONS FOR 2025**

No.	Related party	Contents of Related Party Transactions	2025 Estimated Amount (RMB100 million)	Trading Balance/ Transaction Amount as at the End of Last Year (RMB100 million)
9	Shandong Laiwu Rural Commercial Bank Co., Ltd.	Credit businesses	5.00	–
		Deposit businesses	2.00	–
		Other non-credit businesses	3.00	–
10	Liqun Commercial Group Co., Ltd.	Credit businesses	2.65	2.46
11	Mesnac Co., Ltd.	Credit businesses	1.00	0.001
12	Qingdao Baiyang Pharmaceutical Co., Ltd.	Credit businesses	1.00	–
13	Function (Qingdao) Marine Technology Co., Ltd.	Credit businesses	0.80	0.30
14	Qingdao Yitong Rubber & Plastic Co., Ltd.	Credit businesses	0.05	–
		Deposit businesses	0.05	–
15	Qingdao Financial Guarantee Group Co., Ltd.	Credit businesses	41.00	–
		Deposit businesses	6.00	2.10
		Other non-credit businesses	50.00	–
16	Related natural persons	Credit businesses	9.30	2.87
		Deposit businesses	11.67	8.28
		Other non-credit businesses	0.002	–
Sub-total of credit businesses			255.65	54.19
Sub-total of deposit businesses			224.80	49.59
Sub-total of other non-credit businesses			184.33	17.34

Notes:

1. The estimated amount above is applicable to the related party transactions between the Bank or the majority-owned subsidiaries of the Bank and the related parties of the Bank but does not constitute the Bank's or the majority-owned subsidiaries of the Bank's business commitment to its customers. When the related party transaction within the estimated amount actually occurs, the business risk approval and related party transaction approval will be implemented in accordance with the Bank's authorisation plan. The actual transaction plan shall be subject to the written documents issued by the Bank's competent examination and approval department.
2. If the amount of related party transactions set out in the above table is within the approval authority of the Board, it shall take effect from the date of approval by the Board; for those not within the scope of the Board's authority, it shall take effect from the date of approval at the annual general meeting of the year. The validity period of related party transactions amount set out above shall be valid until the date on which the new estimated amount of the ordinary related party transactions is considered and approved at the next annual general meeting of the Bank.

3. In the above table, the data of credit and deposit businesses is calculated based on the balance at the end of the previous year, and the data of other non-credit businesses is calculated based on the annual amount of the transactions.
4. As of the end of 2024, the balance of credit-related business with Qingdao Conson Development (Group) Co., Ltd. and its related parties was RMB1.394 billion, including the balance of credit-related transactions between BQD Wealth Management Company Limited and Qingdao Conson Development (Group) Co., Ltd. of RMB835 million.

II. INTRODUCTION OF THE RELATED PARTIES AND RELATED RELATIONSHIP

(I) Haier Group Corporation

1. *Basic information*

Haier Group Corporation, with Zhou Yunjie as its legal representative, has a registered capital of RMB311.18 million. It is principally engaged in the technology development, technology consultancy, technology transfer, technology services, including industrial internet, etc.; data processing; engaged in digital technology, intelligent technology, software technology; research and development, sales and after-sales services of robots and automation equipment products; logistics information services; the research and development and sales of intelligent household products and solution system software technology; the production of household appliances, electronic products, communication equipment, electronic computers and accessories, general machinery, kitchen appliances and robots for industrial purpose; domestic commercial (excluding national restricted, licensed and controlled commodities) wholesale and retail; export and import business (refer to foreign enterprise confirmation certificate for details); economic technology consultancy; research, development, and transfer of technological achievements; and lease of self-owned properties. Its domicile is located at Haier Road, Hi-Tech Industrial Park, Qingdao City, Shandong Province (in Haier Industrial Park). As of the end of 2023, the consolidated total asset of Haier Group Corporation was RMB403.864 billion and the net asset was RMB128.666 billion. The operating income was RMB314.452 billion and net profit was RMB17.944 billion in 2023.

2. *Related relationship with the Bank*

Haier Group Corporation is a substantial Shareholder of the Bank with its subsidiaries holding a total of more than 5% of the Bank's Shares, which is in line with the related relationship as set out in the provisions of Article 7 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. *Duty performance analysis*

The above-mentioned related party has strong operating strength, stable development in main business and results, and good duty performance ability. This related party is not a dishonest person subject to enforcement.

(II) Intesa Sanpaolo S.p.A.**1. Basic information**

Intesa Sanpaolo S.p.A., with Gian Maria GROS-PIETRO as its legal representative, has a registered capital of EUR10.369 billion. It is principally engaged in the commercial banking business. Its domicile is located in Piazza San Carlo, 156 10121 Torino. As of the end of September 2024, the total asset was EUR949.186 billion and the net asset was EUR67.088 billion. It achieved revenue from the main business of EUR23.614 billion and net profit of EUR7.167 billion in the first three quarters of 2024.

2. Related relationship with the Bank

Intesa Sanpaolo S.p.A. is a substantial Shareholder of the Bank holding more than 5% of the Bank's Shares, which is in line with the related relationship as set out in the provisions of Article 7 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The above-mentioned related party is a large multinational bank headquartered in Italy. It has strong operating strength in the fields of retail banking, corporate banking and wealth management. It has good major financial indicators and good duty performance ability. This related party is not a dishonest person subject to enforcement.

(III) Qingdao Conson Development (Group) Co., Ltd.**1. Basic information**

Qingdao Conson Development (Group) Co., Ltd., with Liu Luqiang as its legal representative, has a registered capital of RMB3 billion. It is principally engaged in the investment, construction and operation of major infrastructure projects in urban and rural areas and major public welfare programs of the government; and engaged in service businesses covering real estate, tourism, land development, and approved non-banking financial services, and the investment and operation of other assets other than those prohibited by national laws and regulations approved by the government. Its domicile is located in the T1 office building of Haitian Center, No. 48 Hong Kong West Road, Shinan District, Qingdao City, Shandong Province. As of the end of September 2024, the total asset was RMB123.252 billion and the net asset was RMB40.376 billion. It achieved total operating income of RMB11.021 billion and net profit of RMB1.447 billion in the first three quarters of 2024.

2. *Related relationship with the Bank*

Qingdao Conson Development (Group) Co., Ltd. is a substantial Shareholder of the Bank with its subsidiaries holding a total of more than 5% of the Bank's Shares, which is in line with the related relationship as set out in the provisions of Article 7 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. *Duty performance analysis*

The above-mentioned related party is a high-quality, large-scale state-owned enterprise engaged in the investment and operation of state-owned capital. Its major financial indicator is good, and the business operations in various fields are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(IV) **BQD Financial Leasing Company Limited**

1. *Basic information*

BQD Financial Leasing Company Limited, with Meng Dageng as its legal representative, has a registered capital of RMB1.225 billion. It is principally engaged in the finance leasing business; transferring in and out assets under a finance lease; fixed income securities investment business; accepting guaranteed deposit of the lessee; absorbing fixed deposits over 3 months (inclusive) from non-bank shareholders; interbank lending and borrowing; obtaining loans from financial institutions; lending loans to offshore borrowers; disposal of and dealing with leased articles; economic consulting; other businesses approved by the banking regulatory authority. Its domicile is located in 15/F, Building No. 3, No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province. As of the end of September 2024, the total asset was RMB17.962 billion and the net asset was RMB2.330 billion. It achieved operating income of RMB501 million and net profit of RMB263 million in the first three quarters of 2024.

2. *Related relationship with the Bank*

The Bank initiated and established BQD Financial Leasing Company Limited and held 60% of its share capital. It is a holding subsidiary of the Bank, which is in line with the related relationship as set out in the provisions of Article 7 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The above-mentioned related party constantly improves its operating ability and profitability with solid risk control and steady operation. It has good major financial indicators and sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(V) BQD Wealth Management Company Limited**1. Basic information**

BQD Wealth Management Company Limited, with Zhao Xuan as its legal representative, has a registered capital of RMB1 billion. It is primarily engaged in the public offering of wealth management products to the general public, private placement of wealth management products to eligible investors, investment and management of properties entrusted by investors, and provision of wealth management advisory and consulting services. Its domicile is located in 37-40/F Qingdao World Financial Center (WFC Sincere Center), Building 1, No. 19 Qinling Road, Laoshan District, Qingdao, Shandong Province. As of the end of 2024, the total asset was RMB2.183 billion and the net asset was RMB1.952 billion. It achieved operating income of RMB550 million and net profit of RMB297 million throughout 2024.

2. Related relationship with the Bank

The Bank initiated and established BQD Wealth Management Company Limited and held its entire share capital, which is in line with the related relationship as set out in the provisions of Article 7 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The above-mentioned related party is the first wealth management subsidiary of a city commercial bank approved in Northern China and the sixth within the whole country. It adheres to the business philosophy of “establishment with compliance, governance with professionalism, emergence with innovation and enhancement with technology”, has enjoyed stable operation since its opening, and is well capable of performing its duties. This related party is not a dishonest person subject to enforcement.

(VI) Tsingtao Brewery Co., Ltd.**1. Basic information**

Tsingtao Brewery Co., Ltd., with Jiang Zongxiang as its legal representative, has a registered capital of RMB1.364 billion. It is principally engaged in the production of beer, the sale of pre-packaged food and the production of beverages, whiskey and

distilled spirits. Its domicile is located at No. 56 Dengzhou Road, Shibei District, Qingdao City. As of the end of September 2024, the total asset was RMB50.371 billion and the net asset was RMB30.672 billion. It achieved revenue of RMB28.959 billion and net profit of RMB5.13 billion in the first three quarters of 2024.

2. *Related relationship with the Bank*

Jiang Xinglu, a Supervisor of the Bank, served as a director of Tsingtao Brewery Co., Ltd. in the past 12 months, which is in line with the related relationship as set out in the provisions of Article 62 of the *Administrative Measures for the Information Disclosure of Listed Companies*.

3. *Duty performance analysis*

The above-mentioned related party is a state-controlled A+H listed company with leading brand popularity and market share in the domestic beer industry. Its products are sold in over 100 countries and regions in the world. It has stable and outstanding financial conditions and sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(VII) Qingdao Rural Commercial Bank Co., Ltd.

1. *Basic information*

Qingdao Rural Commercial Bank Co., Ltd., with Wang Xifeng as its legal representative, has a registered capital of RMB5.556 billion. It is principally engaged in receiving public deposits in domestic and foreign currencies; granting short-term, medium-term and long-term loans in domestic and foreign currencies; handling settlement within and outside of China; handling bill acceptance and discounting; acting as agent in issuing, honoring and underwriting of government bonds; trading of government bonds and financial bonds; engaging in interbank borrowing and lending in domestic and foreign currencies; engaging in bank card business; acting as agent in collection and payment and insurance services; providing safe deposit box services; foreign exchange remittances; trading and acting as agent in foreign exchange trading; providing letters of credit services and guarantee; foreign credit investigations, advisory and attestation service; fund sales; other businesses as approved by the relevant competent authorities of the state. Its domicile is located at Building 1, No. 6 Qinling Road, Laoshan District, Qingdao City, Shandong Province. As of the end of September 2024, the total asset was RMB479.01 billion and the net asset was RMB41.617 billion. It achieved revenue of RMB8.442 billion and net profit of RMB3.203 billion in the first three quarters of 2024.

2. Related relationship with the Bank

Qingdao Rural Commercial Bank Co., Ltd. is a related party of Qingdao Conson Development (Group) Co., Ltd., a substantial Shareholder of the Bank, which is in line with the related relationship as set out in the provisions of Article 32 of the *Interim Measures for the Equity Management of Commercial Banks*.

3. Duty performance analysis

The above-mentioned related party maintains steady operation and good business conditions and has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(VIII) Zaozhuang Bank Co., Ltd.**1. Basic information**

Zaozhuang Bank Co., Ltd., with Yi Xin as its legal representative, has a registered capital of RMB3.726 billion. It is principally engaged in receiving public deposits; granting short-term, medium-term and long-term loans; handling settlement within China; handling bill acceptance and discounting; issuance of financial bonds; acting as agent in issuing, honoring and underwriting of government bonds; trading of government bonds and financial bonds; engaging in interbank borrowing and lending; providing letters of credit services and guarantee; acting as agent in collection and payment and insurance services; entrusted deposit and loan business; providing safe deposit box services; other businesses as approved by the banking regulatory authorities under the State Council. Its domicile is located at No. 1666, Guangming Avenue, Xuecheng District, Zaozhuang City, Shandong Province. As of the end of 2023, the total asset was RMB46.484 billion and the net asset was RMB5.008 billion. It achieved revenue of RMB851 million and net profit of RMB110 million in 2023.

2. Related relationship with the Bank

Hao Xianjing, a Supervisor of the Bank within the past twelve months, also serves as a director of Zaozhuang Bank Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 62 of the *Administrative Measures for the Information Disclosure of Listed Companies*.

3. Duty performance analysis

The above-mentioned related party maintains steady operation and good business conditions and has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(IX) Shandong Laiwu Rural Commercial Bank Co., Ltd.**1. Basic information**

Shandong Laiwu Rural Commercial Bank Co., Ltd., with Zhang Tong as its legal representative, has a registered capital of RMB2.514 billion. It is principally engaged in receiving public deposits; granting short-term, medium-term and long-term loans; handling settlement within China; handling bill acceptance and discounting; acting as agent in issuing, honoring and underwriting of government bonds; trading of government bonds and financial bonds; engaging in interbank borrowing and lending; engaging in debit card and credit card (business card) businesses; acting as agent in collection and payment and insurance services; providing safe deposit box services; conducting foreign exchange businesses, including foreign exchange deposits, foreign exchange loans, foreign exchange remittances, foreign exchange interbank lending, foreign currency exchange, international settlement, credit standing investigation, consulting and witnessing services; other businesses as approved by China Banking Regulatory Commission. Its domicile is located at No. 28 Luzhongdong Street, Laiwu District, Jinan City, Shandong Province. As of the end of 2023, the total asset was RMB47.472 billion and the net asset was RMB3.202 billion. It achieved revenue of RMB626 million and net profit of RMB147 million in 2023.

2. Related relationship with the Bank

Xing Lecheng, a Director of the Bank, also serves as a director of Shandong Laiwu Rural Commercial Bank Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 8 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The above-mentioned related party maintains steady operation and good business conditions and has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(X) Lique Commercial Group Co., Ltd.**1. Basic information**

Lique Commercial Group Co., Ltd., with Xu Gongzao as its legal representative, has a registered capital of RMB850 million. It is principally engaged in department store, supermarket and electrical appliance retail chain operation, brand agency operation and urban logistics and distribution, and is also involved in various offline business formats such as convenience stores, fresh food community stores, category collection stores, as well as O2O and B2B online business formats. Its domicile is located at No. 78 Xiangjiang Road, Economic and Technological Development Zone, Qingdao City,

Shandong Province. As of the end of September 2024, the total asset was RMB16.403 billion and the net asset was RMB4.263 billion. It achieved revenue of RMB5.638 billion and net profit of RMB20 million in the first three quarters of 2024.

2. *Related relationship with the Bank*

Jiang Xinglu, a Supervisor of the Bank, also serves as a director of Liquan Commercial Group Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 8 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. *Duty performance analysis*

The above-mentioned related party is high-quality listed company client engaged in retail chain operations of department stores, supermarkets and electrical appliances. Its major financial indicator is good, and the business operations in various fields are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XI) Mesnac Co., Ltd.

1. *Basic information*

Mesnac Co., Ltd., with Guan Bingzheng as its legal representative, has a registered capital of RMB970 million. It is principally engaged in the design, development, production, sales, installation, commissioning and maintenance of mechanical equipment, molds, computer software and hardware, large-scale integrated circuits, automation systems, network and monitoring engineering; the integration, sales, installation, commissioning and maintenance of information systems; technical services, consultation and training for the above businesses; and the self-operation and agency services for the import and export of all kinds of goods and technologies. Its domicile is located at Room 202, Building 1, Block B, Yuanchuang International Blue Bay Creative Park, No. 31 Xinye Road, High-tech Zone, Qingdao City, Shandong Province. As of the end of September 2024, the total asset was RMB17.286 billion and the net asset was RMB5.949 billion. It achieved revenue from the main business of RMB4.879 billion and net profit of RMB407 million in the first three quarters of 2024.

2. *Related relationship with the Bank*

The relatives of Yang Fengjiang, a Supervisor of the Bank within the past twelve months, also serves as a director of Mesnac Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 62 of the *Administrative Measures for the Information Disclosure of Listed Companies*.

3. *Duty performance analysis*

The above-mentioned related party is a leading enterprise in the industry. Its major financial indicator is good, and the business operations in various fields are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XII) **Qingdao Baiyang Pharmaceutical Co., Ltd.**

1. *Basic information*

Qingdao Baiyang Pharmaceutical Co., Ltd., with Fu Gang as its legal representative, has a registered capital of RMB525 million. It is principally engaged in the retail and wholesale of pharmaceuticals, the operation and leasing of Class III medical devices, urban distribution and transportation services, value-added telecommunications services of Class II, Internet information services, and road freight transportation. Its domicile is located at Building 1, No. 88 Tongbai Road, North District, Qingdao City, Shandong Province. As of the end of September 2024, the total asset was RMB6.896 billion and the net asset was RMB2.515 billion. It achieved revenue of RMB6.144 billion and net profit of RMB691 million in the first three quarters of 2024.

2. *Related relationship with the Bank*

Hao Xianjing, a Supervisor of the Bank within the past twelve months, also serves as a director of Qingdao Baiyang Pharmaceutical Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 62 of the *Administrative Measures for the Information Disclosure of Listed Companies*.

3. *Duty performance analysis*

The above-mentioned related party is a high-quality listed company client engaged in brand operation, wholesale distribution and retail services of pharmaceutical products. Its major financial indicator is good, and the business operations in various fields are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XIII) **Function (Qingdao) Marine Technology Co., Ltd.**

1. *Basic information*

Function (Qingdao) Marine Technology Co., Ltd., with Gao Yicheng as its legal representative, has a registered capital of RMB31.6579 million. It is principally engaged in food sales, Class III medical device operations, food internet sales, food production, health food production, technical services, technology development, technical consulting, technology exchanges, technology transfer, technology promotion,

technology import and export, goods import and export, health food sales, etc. Its domicile is located at Unit 306, Building T6 Tower, Shangshi Center, No. 195 Hong Kong East Road, Laoshan District, Qingdao, Shandong Province. As of the end of September 2024, the total asset was RMB481 million and the net asset was RMB217 million. It achieved revenue from the main business of RMB580 million and net profit of RMB29 million in the first three quarters of 2024.

2. *Related relationship with the Bank*

Fang Qiaoling, a Director of the Bank within the past twelve months, also serves as a director of Function (Qingdao) Marine Technology Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 62 of the *Administrative Measures for the Information Disclosure of Listed Companies*.

3. *Duty performance analysis*

The major financial indicator of the above-mentioned related party is good, and its business operations in various fields are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XIV) Qingdao Yitong Rubber & Plastic Co., Ltd.

1. *Basic information*

Qingdao Yitong Rubber & Plastic Co., Ltd., with Zhou Yan as its legal representative, has a registered capital of RMB2 million. It is principally engaged in the wholesale of rubber products, hardware and electrical appliances, mechanical and electrical equipment, plastic raw materials, chemical products and raw materials, daily necessities, metal materials, building decoration materials, textile products, and clothing. Its domicile is located at Room 302, Unit 3, Building 2, No. 8 Zhengzhou Road, Sifang District, Qingdao, Shandong Province. As of the end of 2024, its total asset was RMB11.5736 million and the net asset was RMB4.9801 million. It achieved revenue from the main business of RMB19.005 million and net profit of RMB279.4 thousand in 2024.

2. *Related relationship with the Bank*

The relatives of Niu Jianxiang, who holds the core business approval or decision-making power such as large credit extension in the Bank, also serves as the general manager of Qingdao Yitong Rubber & Plastic Co., Ltd., which is in line with the related relationship as set out in the provisions of Article 8 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The major financial indicator of the above-mentioned related party is good with clear development goals, and its business operations are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XV) Qingdao Financial Guarantee Group Co., Ltd.**1. Basic information**

Qingdao Financial Guarantee Group Co., Ltd., with Huang Yingsheng as its legal representative, has a registered capital of RMB2.455 billion. It is principally engaged in guarantee businesses, such as loan guarantee, bill acceptance guarantee, trade finance guarantee, project financing guarantee, letter of credit guarantee, litigation preservation guarantee, bidding guarantee, prepayment guarantee, and project performance guarantee. Its domicile is located in Building 1, No. 31, Xianxialing Road, Laoshan District, Qingdao, Shandong Province. As of the end of 2024, its total asset was RMB2.254 billion and the net asset was RMB216 million. It achieved revenue from the main business of RMB58 million and net profit of RMB123 million in 2024.

2. Related relationship with the Bank

Qingdao Financial Guarantee Group Co., Ltd., has been a related party of Qingdao Conson Development (Group) Co., Ltd. in the past 12 months, a substantial Shareholder of the Bank, which is in line with the related relationship as set out in the provisions of Article 8 of the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*.

3. Duty performance analysis

The major financial indicator of the above-mentioned related party is good with clear development goals, and its business operations are stable. It has sound duty performance ability. This related party is not a dishonest person subject to enforcement.

(XVI) Related Natural Persons

Related natural persons as provided in the provisions of the *Administrative Measures for the Information Disclosure of Listed Companies*, the *Rules Governing Listing of Shares on Shenzhen Stock Exchange*, the *Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions*, the *Interim Measures for the Equity Management of Commercial Banks* and other laws and regulations, and the administrative system for related party transactions of the Bank.

**III. MAIN CONTENTS AND PURPOSE OF RELATED PARTY TRANSACTIONS AND THEIR
IMPACT ON THE BANK**

The estimated ordinary related party transactions of the Bank are mainly credit, deposit and other non-credit businesses within the normal business scope of the Bank, and the counterparties are quality customers and subsidiaries of the Bank. In accordance with the general business principles and market principles, the Bank conducts a fair review from the aspects of business pricing and guarantee methods, and conducts related party transactions on terms that are not superior to those of similar transactions of non-related parties. Specific transaction terms are established according to business nature, transaction amount and duration, relevant national policies and regulations and applicable industry practices. It is in line with the overall interests of the Bank and Shareholders, and does not affect the independence of the Bank. The Bank's main business will not depend on the related parties for such transactions.

**SPECIAL REPORT ON RELATED PARTY TRANSACTIONS OF
BANK OF QINGDAO CO., LTD. FOR 2024**

To Shareholders:

In 2024, the Bank strictly complied with the relevant regulations of domestic and overseas regulatory authorities and stock exchanges, continuously improved related party transaction management standards and effectively prevented the risk of related party transactions. All indicators of related party transactions were controlled within the scope allowed by regulatory requirements. The related party transactions of the Bank for 2024 are reported below:

I. COMPOSITION OF THE RELATED PARTY TRANSACTIONS CONTROL COMMITTEE UNDER THE BOARD OF DIRECTORS AND CONVENING OF ANNUAL MEETING FOR 2024

As of the end of 2024, the Related Party Transactions Control Committee under the Board of Directors of the Bank consisted of 5 members, and the post of chairman of the committee was held by an independent Director. The proportion of independent Directors set in the committee was more than half.

In 2024, the Related Party Transactions Control Committee under the Board of Directors of the Bank held 13 meetings in total and reviewed and approved 22 resolutions and reviewed or heard 3 reports, mainly including the review of major related party transactions and the review and hearing of the quarterly report on related party transactions.

II. MANAGEMENT MEASURES FOR RELATED PARTY TRANSACTIONS FOR 2024

With an active and compliant working attitude, objective and fair working standards and efficient working mechanism on operation, the Bank implemented various provisions and regulatory requirements on related party transaction management in key sectors such as the management of the list of related parties and the review and approval of related party transactions to practically prevent risks on related party transactions.

Firstly, the Bank constructed a related party transaction management system. By consolidating regulatory requirements from multiple authorities including National Financial Regulatory Administration (the “NFRA”), the CSRC, the SZSE and the Stock Exchange regarding related party transactions, and in light of the Bank’s operational practices and current business situation, the related party transaction management mechanism has been further optimized. The second phase of the Bank’s related party transaction management system has been officially launched, which has realized related party management functions such as related party identification, related parties information management, existing related party alert, and suspected related party identification management. The system has introduced external industrial and commercial data for automatic verification of related party information and automatic alerts of suspected related parties to prevent omission of reporting and misreporting, which has further improved the accuracy of related party information, and has strengthened the Bank’s ability to penetrate and identify and proactively manage related parties. The

system has also realized online compliance review for related party transactions, systematized manual management work, which improved the efficiency of related party transaction compliance approvals, continuously standardized the Bank's related party transaction practices to prevent related party transaction risks. The Bank is in the process of organizing the construction of the third phase of the related party transaction management system to strengthen the whole-process and refined management of related party transactions, and to realize automatic business data capture and business alerts through system connection, so as to continuously improve the level of informatization and intelligence standards of related party transaction management.

Secondly, the Bank conducted standardized management on related party transactions. Based on the organization mode with "the frontline of business reporting the required amount and the department at the head office responsible for summarization and coordination", the Bank completed the estimation on the amount of related party transactions for 2024, and controlled the total amount of related party transactions and the total amount of credit transactions was estimated to be RMB16.231 billion. In accordance with the relevant regulations of the NFRA, the CSRC, the SZSE and the Stock Exchange, the Bank regularly solicited and confirmed related parties from Directors, Supervisors, senior management and people with core business approval or decision-making authority. It formulated the work report on the management of related party transactions on a quarterly basis, summarized major work on the management of related party transactions and businesses during the quarter and reported to the Related Party Transactions Control Committee under the Board of Directors. It promoted the approval procedures on the compliant performance of major related party transactions. A total of 18 major related party transactions were reviewed and approved by the Board of Directors in 2024, all of which were reported and disclosed in accordance with the regulatory requirements.

Thirdly, the Bank earnestly conducted self-inspections on related party transaction management. Through the elaborate deployment and the coordination and collaboration of relevant departments, the Bank has reviewed the latest regulatory requirements, its own management standards, and key issues of penalties imposed by the regulatory authorities in recent years. Benchmarked against 18 key issues, the Bank conducted a comprehensive review of its related party transaction management practices, drew inferences about other cases from one instance and carried out comprehensive examinations on the management of related parties, the review and approval of related party transactions and the fair pricing of related party transactions. These efforts have standardized the Bank's related party transaction practices and effectively controlled related party transaction risks. With the focus on self-inspection on related party transaction management, the Bank summarized laws, regulations and key regulatory concerns and prevented business risks on related party transactions to continuously consolidate the compliance awareness of the whole Bank on related party transactions management.

III. APPROVAL OF RELATED PARTY TRANSACTIONS FOR 2024

In accordance with commercial principles, the Bank approved related party transactions on conditions not more favorable than those for comparable transactions with non-related parties. The terms of the transactions were fair and reasonable and in the interests of all Shareholders and the Bank as a whole. The Bank implemented the corresponding approval process and approval requirements for the related party transactions in specifications of the NFRA, the Stock Exchange, the CSRC, and the SZSE. The details are as follows:

(I) Related party transactions in specifications of NFRA

In 2024, the Bank strictly complied with regulatory requirements. It did not provide any credits to related parties using the Bank's equity as a pledge, nor did it provide guarantees for financing activities of related parties.

In respect of the approval of major related party transactions, in 2024, there were a total of 18 major related party transactions considered and approved by the Board of Directors, which were related party transactions with 8 related companies of Haier Group, 1 related company of Guoxin Group, Tsingtao Brewery Company Limited, Qingdao Doublestar Co., Ltd., BQD Financial Leasing Company Limited and BQD Wealth Management Company Limited and the businesses approved included credit-related, asset transfer related, service-related and deposit-related with the amount of RMB17.142 billion. The major related party transactions of the Bank were reviewed by the Related Party Transactions Control Committee under the Board of Directors and submitted to the Board of Directors for approval, and reported and disclosed to the supervisory authority on a case-by-case basis within 15 business days after the signing of the transaction agreement. Independent Directors of the Bank issued independent opinions on the fairness of major related party transactions and the performance of internal approval procedures.

For the approval of general related party transactions, the Bank approved general related party transactions in accordance with internal authorisation procedures, disclosed general related party transactions for the current quarter by type of transaction on a consolidated basis within 30 days after the end of each quarter, and submitted the general related party transactions to the Related Party Transactions Control Committee under the Board of Directors annually for filings through making special reports on related party transactions.

(II) Related party transactions in specifications of the Stock Exchange

In 2024, the related party transactions in specifications of the Stock Exchange carried out by the Bank were exempted from submission to the Board of Directors and the general meeting for review and from external disclosure. The transactions were approved according to the internal authorisation procedures of the Bank.

(III) Related party transactions in specifications of the CSRC and the SZSE

In 2024, the Bank made reasonable estimates of daily related party transactions in accordance with the relevant requirements of the CSRC and the SZSE, and the Board of Directors and the general meeting have approved and performed the procedures for external disclosure. A single related party transaction within the scope of estimates is not subject to repeated approval and disclosure in accordance with the standards of the CSRC and the SZSE; none of the related party transactions outside the scope of estimates have met the standards for submission to the Board of Directors and the general meeting for consideration and external disclosure, and such transactions have been considered and approved in accordance with the internal authorisation procedures of the Bank.

IV. STATISTICS OF RELATED PARTY TRANSACTIONS AT THE END OF 2024

The statistics of the Bank's related party transactions at the end of the year were categorized into related party transactions in specifications of the NFRA, the Stock Exchange, the CSRC and the SZSE, the details of which are as follows:

(I) Related party transactions in specifications of NFRA

1. Credit related party transactions

As of the end of 2024, the total net credit balance of the Bank's credit related party transactions in specifications of the NFRA amounted to RMB4.339 billion. The transaction interest rate or handling fee was determined based on general commercial principles and standards not more favorable than those for similar transactions with non-related parties, the details of which are as follows:

Name of Related Parties	Type of Transaction	Net Amount of Transaction ¹ (RMB100 million)	Interest Rate/ Handling Fee Rate (%)
Major related party transactions	–	32.71	–
Qingdao Haiyun Chuangzhi Business Development Co., Ltd.	Residential development loan	8.32	5.62
BQD Financial Leasing Company Limited	Interbank borrowings	7.00	2.70/2.50 ²
Haitian (BVI) International Investment Development Limited	Bond investment	3.59	7.00
Haier Consumer Finance Co., Ltd.	Interbank borrowings	3.00	3.60
Haier Group (Qingdao) Jinying Holdings Co., Ltd.	Medium-term working capital loans	3.00	4.00
Haier Financial Factoring (Chongqing) Co., Ltd.	Short-term working capital loans	2.70	4.20/3.85 ²
Qingdao Hailizhuju Technology Co., Ltd.	Supply chain financing	1.95	4.30
Qingdao Haishanghai Life Service Group Co., Ltd.	Medium-term working capital loans	0.97	6.70
Qingdao HBIS New Material Technology Joint-stock Limited Company	Bank's acceptance bill	0.80	0.05
Qingdao HBIS Composite New Material Technology Co., Ltd.	Bank's acceptance bill	0.44	0.05

Name of Related Parties	Type of Transaction	Net Amount of Transaction ¹ (RMB100 million)	Interest Rate/ Handling Fee Rate (%)
Haier Group Finance Co., Ltd.	Interbank bill credit	0.28	— ³
Qingdao Haichen Real Estate Development Co., Ltd.	Commercial housing development loan	0.16	6.50
Qingdao Mindray Ecological Environment Technology Co., Ltd.	Short-term working capital loans	0.10	3.90
Qingdao No.1 Courtyard Hotel Co., Ltd.	Short-term working capital loans	0.10	3.90
Qingdao Haiyu Qingquan Hot Spring Hotel Co., Ltd.	Short-term working capital loans	0.10	3.90
Qingdao Haishanghai Commercial Operation Co., Ltd.	Short-term working capital loans	0.10	3.90
Qingdao Tizhiwang IoT Technology Co., Ltd.	Short-term working capital loans	0.10	3.90
General related party transactions	—	10.68	—
Total	—	43.39	—

- Notes:
1. Net amount of transaction refers to the amount of the facilities balance after deducting cash related guarantees.
 2. Interest rate/handling fee rate refers to the interest rate or handling fee rate applicable to the business with transaction balance at the end of the year. In respect of the interbank borrowing business of BQD Financial Leasing Company Limited and the loan business of Haier Financial Factoring (Chongqing) Co., Ltd., the above table sets out the different pricing interest rates for the multiple lending to related parties.
 3. The facilities granted by the Bank to Haier Group Finance Co., Ltd. were for customers who hold bank acceptance bills issued by Haier Group Finance Co., Ltd. to pledge bills with the Bank. The Bank has no direct business with Haier Group Finance Co., Ltd., and the business income derived from non-related party customers who pledge bills.

In 2024, credit related party transactions mainly included interbank borrowing and loan businesses. The quality of credit facilities granted to related parties was better than the average quality of credit facilities granted by the Bank. The Bank judged that the existing credit related party transactions would have no material impact on the normal operation of the Bank.

As of the end of 2024, the related party with the Bank's largest balance of credit facilities was Qingdao Haiyun Chuangzhi Business Development Co., Ltd., with net credit facilities of RMB832 million, accounting for 1.58% of the net capital as at the

end of the year; the related party group with the largest balance of credit facilities was Haier Group Corporation, with net credit facilities of RMB2.212 billion, accounting for 4.19% of the net capital as at the end of the year; and the net credit facilities granted to all related parties amounted to RMB4.339 billion, accounting for 8.22% of the net capital as at the end of the year. The above proportions have not exceeded the regulatory limits.

2. *Non-credit related party transactions*

In 2024, the non-credit related party transactions in specifications of the NFRA were primarily the Bank's consignment of wealth management products issued by related parties, bond distribution transactions, and deposit business, with a total transaction amount of RMB14.788 billion throughout the year. Among these transactions, the two fixed-term deposits totaling RMB3.6 billion from Tsingtao Brewery Co., Ltd. were classified as major related party transactions, with all remaining transactions categorized as general related party transactions. The prices of non-credit related party transactions were determined based on general commercial principles and standards not more favorable than those for similar transactions with non-related parties.

(II) Related party transactions in specifications of the Stock Exchange

In 2024, the Bank's related party transactions in specifications of the Stock Exchange were mainly non-credit business such as related party performance titles, bond underwriting and distribution and asset custody, with a total transaction amount of RMB4.1079 million during the year.

(III) Related party transactions in specifications of the CSRC and the SZSE

In 2024, the related party transactions of the Bank in specifications of the CSRC and the SZSE were mainly credit business on- and off-balance sheet such as bond investment, and non-credit business such as bond underwriting and distribution, asset custody and deposits, of which the balance of credit business was RMB586 million and the total transaction amount of non-credit business was RMB9.622 billion.

Please consider.

SHAREHOLDERS' RETURN PLAN FOR 2024-2026 OF BANK OF QINGDAO CO., LTD.

To Shareholders:

To further strengthen the awareness of rewarding Shareholders, and provide Shareholders with continuous, stable and reasonable investment returns, the Board of Directors of the Bank has formulated the *Shareholders' Return Plan for 2024-2026 of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the "Plan") in accordance with the relevant requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Notice of the Matters Relevant to Further Implementing the Cash Dividend Distribution by Listed Companies*, the *Guideline No. 3 on Supervision and Administration of Listed Companies – Cash Dividends of Listed Companies* and the *Articles of Association of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the "Articles of Association") and on the basis of fully considering the actual operation and future development needs of the Bank.

I. PRINCIPLES FOR FORMULATION OF THE PLAN

The Bank will implement a continuous and stable dividend distribution policy. The Bank shall emphasize reasonable investment returns to investors and ensure sustainable development of the Bank when distributing dividends.

The Bank shall prioritize the distribution of dividends in cash based on the principle of continuous profitability, compliance with regulatory requirements and its normal operation and long-term development.

II. FACTORS CONSIDERED IN DEVELOPING THE PLAN

On the basis of a comprehensive analysis on factors such as the operating environment of the banking industry, shareholders' demands, cost of social capital, the external financing environment and regulatory policies, the Bank comprehensively considered the current and future business development, capital requirements, profitability scale, development stage and its own liquidity, balanced the relationship between sustainable business development and comprehensive return to shareholders, and established a sustained, stable, and scientific return mechanism for investors, striving to maintain the continuity and stability of the return mechanism.

III. SPECIFIC PROPOSAL FOR THE PLAN

(I) Priorities of profit distribution

The after-tax profit of the Bank shall be distributed in the following order of priority:

1. to make up for the losses of previous years;
2. to set aside 10% as statutory reserve;
3. to set aside general reserves;

4. to pay dividends to preference Shareholders;
5. to set aside discretionary reserve fund;
6. to pay dividends to ordinary Shareholders.

No further contribution may be required when the accumulated amount of statutory reserve funds of the Bank reaches 50% of its registered capital. If the statutory reserve is insufficient to make up for the losses of the preceding years, the profits of the current year shall first be used to make up for such losses before any allocation is made to the statutory reserve.

After the Bank has set aside statutory reserve fund and general reserve and paid dividends to preference shareholders from the after-tax profits, the Bank, subject to the approval of the shareholders' general meeting, may make allocation to the discretionary reserve fund from the after-tax profits. The balance of the after-tax profits of the Bank after making up losses, setting aside statutory reserve fund and general reserve, paying dividends to preference shareholders and setting aside discretionary reserve fund may be distributed to the shareholders in pro-rata to their shareholding.

In general, no cash dividend shall be paid to shareholders for any year in which the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premises of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may distribute cash dividends if its profits realized in each year, after making up losses, setting aside statutory reserves fund and general reserve, and paying dividends to preference shareholders according to law, remain positive and distributable.

Where the shareholders' general meeting distributes profits to shareholders before the Bank's making up losses and setting aside statutory reserve funds and making general reserve, the shareholders concerned must return to the Bank the profits distributed in violation of the provisions.

Shares held by the Bank shall not participate in the distribution of profits.

(II) Form of profit distribution and its interval

The Bank may distribute profits in proportion to the shareholdings of Shareholders, and may make dividend distributions either in cash or in shares or a combination of both. If the Bank satisfies the conditions for cash dividends, it shall give priority to make profit distribution in the form of cash dividends. The Bank shall distribute profits annually in principle, and may distribute an interim dividend where conditions allow.

(III) Specific conditions and ratio of cash dividend distribution

In general, no cash dividend shall be paid to Shareholders for any year in which the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premises of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may pay cash dividends if its profits realized in each year, after making up losses and making allocation to the statutory reserve and general reserves and payment of dividends to preference Shareholders in accordance with law, remain positive and distributable. Any profit to be distributed to its ordinary Shareholders by the Bank in cash each year shall be no less than 20% of the distributable profits attributable to ordinary Shareholders of the Bank realized by it for that year. The specific ratio of cash dividend distribution each year will be determined by the Bank in accordance with the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association, and based on its business operation, and will be considered and approved at general meetings of the Bank.

The Board of the Bank shall take into full account various factors, such as features of the industries where the Bank operates, stage of development, its own business model, profitability and whether there is significant capital expenditure arrangement, to distinguish the following situations and put forward differentiated policies of cash dividend in accordance with the procedures as required by the Articles of Association of the Bank:

1. If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
2. If the Bank is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
3. If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made.

If it is difficult to distinguish the Bank's stage of development and the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.

Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its share capital size, the Bank may propose and execute a share dividend distribution proposal in addition to the cash dividend distribution above.

(IV) Implementation of the profit distribution plan

After a resolution is adopted by the Bank's general meeting in respect of the profit distribution plan, the Board of the Bank must implement specific proposal as soon as possible within two months after the general meeting.

IV. DECISION-MAKING AND SUPERVISION MECHANISM OF THE PLAN

When determining a profit distribution plan, the Board of the Bank shall carefully study and justify the timing, conditions and minimum ratio for cash dividend distribution, its conditions for adjustments and the requirements of the procedures for decision-making. The independent Directors shall give specific opinion in respect thereof. The independent Directors may seek the opinion of the minority Shareholders, devise a dividend distribution proposal and submit the same directly to the Board for consideration. Prior to the consideration of the specific plan of cash dividend by the Shareholders at a general meeting, the Bank shall actively communicate and exchange ideas through multiple channels with Shareholders (in particular, the minority Shareholders), thoroughly consider the opinions and requests of the minority Shareholders and give timely responses to the issues that concern them. The Board of Supervisors of the Bank shall supervise the formulation and decision-making by the Board of Directors of the profit distribution plan of the Bank.

Where the Bank has satisfied conditions for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed to its ordinary Shareholders by the Bank in cash is less than 20% of the distributable profits attributable to ordinary Shareholders of the Bank realized by it for that year, the Board shall set out the specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return. The Bank shall submit to the general meeting for consideration after the independent Directors have expressed their opinions, and make disclosure in the designated media by the Bank. The Bank shall provide access to online voting platforms for Shareholders.

A profit distribution plan shall be disclosed by the Bank in the annual report for the year. If the Bank generated profits during the reporting period but the Board of the Bank has not made any cash profit distribution plan, the reasons thereof and the use of proceeds retained by the Bank not used for dividend distribution shall be explained in detail in its periodic reports and independent Directors shall give independent opinions in this regard.

V. ADJUSTMENT MECHANISM OF THE PLAN

If the operations of the Bank are materially affected as a result of war, natural disasters and other events of force majeure, or any change in its external operating environment, or any significant changes in its own operating conditions, the Bank may adjust its profit distribution policy. When the Bank makes such adjustment, the Board shall prepare a written report on special topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the independent Directors, shall be submitted to the general meeting for approval by Shareholders representing over 2/3 voting rights at such meeting. The Bank shall provide access to online voting platforms for Shareholders for voting purpose. In considering such adjustments to profit distribution plan policy at a general meeting, the opinions of minority Shareholders must be sufficiently considered.

- VI. MATTERS WHICH ARE NOT COVERED UNDER THIS PLAN SHALL BE IMPLEMENTED IN ACCORDANCE WITH THE RELEVANT LAWS AND REGULATIONS, REGULATORY DOCUMENTS AND THE ARTICLES OF ASSOCIATION OF THE BANK. THE PLAN SHALL BE INTERPRETED BY THE BOARD OF THE BANK AND SHALL BECOME EFFECTIVE FROM THE DATE UPON APPROVAL AT A GENERAL MEETING OF THE BANK.**
- VII. UNLESS OTHERWISE INDICATED IN THE PLAN, THE TERMS “SHARES” AND “STOCKS” USED HEREIN REFER TO ORDINARY SHARES AND STOCKS, AND THE TERM “SHAREHOLDERS” USED HEREIN REFER TO ORDINARY SHAREHOLDERS.**

**EVALUATION REPORT ON THE PERFORMANCE OF DUTIES BY
THE BOARD OF DIRECTORS AND DIRECTORS OF BANK OF
QINGDAO CO., LTD. FOR 2024**

To Shareholders:

The Board of Supervisors of the Bank conducted supervision and evaluation of the performance of duties by the Board of Directors and Directors for 2024 in accordance with the *Code of Corporate Governance for Banking and Insurance Institutions*, the *Provisional Measures for the Evaluation of Performance of Duties by Directors and Supervisors of Banking and Insurance Institutions*, the *Guidelines on the Work of the Board of Supervisors of Commercial Banks*, and the *Articles of Association of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the “*Articles of Association*”) and the *Measures on Evaluation of Performance of Duties by the Board of Directors and Directors of Bank of Qingdao Co., Ltd.* The evaluation report is hereby made as follows:

I. EVALUATION OF THE PERFORMANCE OF DUTIES BY THE BOARD OF DIRECTORS

(I) The performance of the Board of Directors in corporate governance, strategic management, capital management, risk management, internal control, remuneration management, information disclosure and consolidated financial statements management

1. In terms of corporate governance, in 2024, the Board focused on its own construction, continuously deepened the integration of Party building and corporate governance, and strove to build an outstanding Board. During the year, the Board of Directors guided the administrative organs to formulate or revise and improve over 20 corporate governance systems, including the *Articles of Association*, the Rules of Procedure of the Shareholders’ General Meeting, the Rules of Procedure of the Board of Directors, etc. At the same time, the top-level authorisation system was further improved to enhance decision-making efficiency and prudently prevent risks. Guided by the *Plan to Improve the Effectiveness of the Board of Directors and Its Special Committees*, the depth and breadth of discussions were actively expanded, and the professional vitality of the special committees was stimulated. The Board of Directors continued to standardize the shareholder equity management, regularly carried out major shareholder evaluation, and cultivated a compliant shareholder culture. Adhering strictly to the principles of fairness and impartiality, the review of related party transactions was strengthened. Throughout the year, the Board of Directors considered and approved a total of 18 major related party transactions, and independent Directors issued independent opinions to effectively protect the interests of the Bank and all Shareholders.
2. In terms of strategic management, the Board of Directors always adhered to a strategy-driven approach, strengthened strategic management and ensured the implementation of strategic execution. Through the dismantling of strategic tasks, the formulation of a clear implementation path and explicit evaluation criteria, the Board of Directors regularly heard reports on the implementation of the strategic plan and the work report of the President, etc. Meanwhile, the Board of Directors revised its strategic plan on a

rolling basis to ensure that it closely follows the national policy orientation, adapts to the external business environment, and aligns with the Bank's own business development, so that the strategic plan could actually play a role in unifying consensus and guiding the business development of the Bank.

3. In terms of capital management, the Board of Directors effectively performed its capital management duties, striving to propelling the transformation towards capital-light businesses. During the year, the Board of Directors regularly reviewed the internal evaluation report on capital adequacy, debt quality management report and other proposals. It also heard special reports such as capital-intensive development, and guided the management to build a complete capital management system with the goal of improving capital and risk management, revised and refined the capital management system, optimized the capital stress testing model, and established a capital-intensive management mechanism.
4. In terms of risk management, in 2024, the Board of Directors adhered to a prudent and cautious risk management philosophy and, in light of the current risk profile of the Bank, formulated the *Risk Appetite Statement of Bank of Qingdao Co., Ltd. for 2024*. The Board of Directors regularly reviewed the comprehensive risk management report to promptly keep informed of the relevant risk management situations, and actively fulfilled its duties in aspects such as credit risk, operational risk, liquidity risk, and reputation risk. It supported the management to continuously optimize the comprehensive risk management system, strengthen the overall decision-making of various risk management, realize the centralized measurement, centralized evaluation, centralized monitoring, and unified reporting of various risks, and gradually form a risk management system with the characteristics of the Bank.
5. In terms of internal control and compliance, the Board of Directors of the Bank attached great importance to the construction of a long-term mechanism for internal control and compliance management. During the year, the Bank considered and approved the annual internal control evaluation report, heard regulatory notifications and rectification reports, internal audit work reports, reviewed management proposals, special audit reports and rectification reports, understood the opinions of regulators, internal and external auditors on the Bank's internal control, and promoted the rectification and implementation of related issues. The Board guided the management to strengthen internal control supervision and compliance inspection, and built up "three lines of defense" for internal control including reasonable division of labor, clearly defined responsibilities and explicit reporting relationships.
6. In terms of remuneration management, during the year, the Board of Directors considered and approved the resolution on appropriation of staff bonus and the distribution of performance bonus of senior management at Bank level, reasonably determined the performance of executives and the total performance of the Bank, guided

the management to rationally optimize the staff grade system and salary system of the Bank, and gave full play to the guiding role of performance-based compensation in the Bank's operation and management.

7. In terms of information disclosure, the Board of Directors consistently complied with the principle of information disclosure characterized by “truthfulness, accuracy, completeness, timeliness and fairness”, prepared and disclosed annual and interim reports and results announcements, etc., on the basis of compliance with laws and regulations, and guided by the needs of investors. During the year, the Bank issued a total of 195 periodic reports and interim announcements on the Stock Exchange and the SZSE, of which 125 were issued on the SZSE, 70 on the Stock Exchange, and there have been no inquiries or penalties by regulators for information disclosure compliance issues. Thanks to its continuous excellent performance in information disclosure, the Bank received the highest rating of A in the SZSE's information disclosure evaluation for the fourth consecutive year.
8. In terms of consolidated financial statements management, the Board of Directors regularly reviewed the Group's work report of consolidated financial statements management and urged the senior management to implement consolidated financial statements management responsibilities in accordance with policies and regulations. The Board of Directors supported the senior management in effectively implementing the work plan for improving the consolidated financial statements management efficiency of the Group, and formulated a comprehensive evaluation method for subsidiaries to further standardize and strengthen the consolidated financial statements management work of the Group, optimize the management synergy between the Bank and its subsidiaries, and promote the management efficiency improvement and long-term steady development of the Group.

(II) Evaluation from the Board of Supervisors

In summary, the Board of Supervisors believes that in 2024, the Board of Directors of the Bank has been able to earnestly implement national economic and financial policies and regulatory requirements, and effectively fulfill its responsibilities of “formulating strategies, making decisions, and preventing risks”. The Board of Directors has adhered to the guidance of Party building, continuously deepened the integration of Party building and corporate governance; strengthened strategic management, and promoted the steady progress of strategic planning; enhanced the overall decision-making on various types of risks, continuously strengthened guidance and supervision in key risk areas such as credit risk, liquidity risk, and reputational risk, achieving remarkable results in risk prevention and control; focused on reinforcing the management of the expected credit loss method, regularly adjusting key parameters of the expected credit loss method; regularly conducted stress tests, effectively improving the management level of stress tests; played an active role in consumer rights protection, anti-money laundering, related party transactions, case prevention and control, and data governance; strengthened internal control supervision and compliance inspections, guided the management to establish a long-term mechanism for internal control and compliance, and

created an atmosphere of law-abiding and compliant operation. The special committees of the Board of Directors operated in a standardized manner, focused on the strategic objectives and respective functions of the Bank, and put forward professional opinions and suggestions to effectively support the scientific and efficient decision-making of the Board of Directors.

(III) Recommendations of the Board of Supervisors

2025 is the last year both for the “14th Five-Year Plan”, and the three-year strategic plan of the Bank. It is recommended that the Board of Directors shall be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and strictly implement the spirit of the Economic and Financial Work Conference at the central, provincial, and municipal levels. The Board of Directors should pay close attention to the domestic and foreign macroeconomic situation and industry dynamics, continue to improve the quality and efficiency of corporate governance operations, and continuously strengthen the development of the Board of Directors, to balance short-term goals and long-term values, create sustainable returns for Shareholders, customers and society, and lead the Bank’s high-quality and steady development.

II. EVALUATION OF THE PERFORMANCE OF DUTIES BY DIRECTORS AND RECOMMENDATIONS THEREON

(I) Evaluation from the Board of Supervisors

Based on the daily supervision records of the Board of Supervisors, the Directors’ self-evaluation of the performance of their duties, the regulatory opinions of the Qingdao Bureau of National Financial Regulatory Administration, and the special report of the external audit institution, the Board of Supervisors evaluated the performance of the Bank’s Directors for 2024 as follows:

1. *The “five dimensions” of Directors of the Bank*

(1) *Fulfilling the duty of loyalty*

The Directors of the Bank were able to act in the best interest of the Bank, perform their duties of loyalty, keep the Bank’s secrets strictly, pay close attention to matters that may harm the Bank’s interests, report to the Board of Directors in a timely manner, and promote the correction of problems.

(2) *Fulfilling the duty of care*

The Directors of the Bank were able to devote time and energy effectively to the participation in the Bank’s affairs, keeping abreast of the operating management and risk status, attending the meetings of the Board of Directors and its special committees as required, and carefully studying and making prudent judgments on matters submitted to the Board of Directors for consideration.

(3) *Professionalism in performance of duties*

The Directors of the Bank all possessed sound professional education background and rich experience in economy and finance management, and were able to continuously improve their professional level, study and put forward scientific and reasonable opinions and recommendations based on the position of the Board of Directors' duties and responsibilities while combining their professional knowledge, industry experience, and work experience, so as to promote scientific decision-making by the Board of Directors.

(4) *Independence and moral standards in performance of duties*

The Directors of the Bank were able to adhere to a high standard of professional conduct and perform their duties independently and autonomously, so as to promote the Bank to treat all Shareholders fairly, safeguard the legitimate rights and interests of stakeholders, and actively perform social responsibilities.

(5) *Compliance in performance of duties*

The Directors of the Bank were able to comply with laws and regulations, regulatory requirements and the Bank's *Articles of Association*, continuously regulate their performance of duties, perform their duties in compliance with the law, and promote and supervise the Bank's law-abiding and compliant operation.

2. *Performance of duties by Directors of various categories*

In general, the executive Directors were able to earnestly implement the resolutions of the shareholders' general meeting and the Board of Directors in accordance with the provisions of the *Articles of Association*, diligently perform their operating business management duties, implement the system of reporting by the senior management to the Board of Directors, support other members of the Board of Directors to fully understand the Bank's operating business management and risk information, and promote the effective implementation of the Board of Directors' resolutions and timely feedback.

The non-executive Directors were able to make a balance between the short-term interests and long-term interests and make good communications between the Bank and major Shareholders without putting the Shareholders' own interests above those of the Bank and other Shareholders, and support the Bank in adhering to compliance operations, improve the overall risk management level and promote the optimization and improvement of various operations and management.

The independent Directors were free from the influence of substantial Shareholders, senior management and other entities and individuals that have interests in the Bank, maintained independence when performing their duties, actively attended meetings and

participated in surveys, fully understood the Bank's operation, expressed independent opinions on relevant major issues and attached great importance to the protection of the legitimate rights and interests of minority Shareholders and other stakeholders.

The chairpersons of the special committees of the Board of Directors were able to preside over the meetings of the respective special committees, deliberate on the matters within the terms of reference and issue professional opinions for the reference of the Board of Directors in making decisions in accordance with the requirements of the working rules of the special committee, so as to promote the scientific and efficient decision-making of the Board of Directors.

To sum up, the Board of Supervisors is of the opinion that the performance evaluation results of the Directors of the Bank for 2024 were all competent.

(II) Recommendations of the Board of Supervisors

In 2025, despite the complex and severe external environment, economic development remains full of opportunities. The Board of Supervisors recommends that the Directors of the Bank should strictly implement various policy requirements of domestic and overseas regulatory authorities, perform their duties in compliance with laws and regulations, give full play to their rich professional knowledge and advanced management experience, and support the important roles of the Board of Directors in improving governance, strategic guidance, decision-making, and risk prevention, practice the concept of sustainable development, and create long-term value for Shareholders and stakeholders.

This report is hereby given.

**BANK OF QINGDAO CO., LTD. EVALUATION REPORT ON THE
PERFORMANCE OF DUTIES BY THE SUPERVISORS FOR 2024**

To Shareholders:

The Board of Supervisors of the Bank conducted supervision and evaluation of the performance of duties by the Supervisors for 2024 in accordance with the *Corporate Governance Guidelines for Banking and Insurance Institutions*, the *Evaluation Measures for the Performance of Directors and Supervisors of Banking and Insurance Institutions (Trial)*, the *Guidelines for the Work of the Board of Supervisors of Commercial Banks and other regulatory regulations*, as well as the *Articles of Association of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the “*Articles of Association*”) and the provisions of the *Measures on Evaluation of Performance of Duties by the Supervisors of Bank of Qingdao Co., Ltd.* The evaluation report is hereby made as follows:

I. EVALUATION FROM THE BOARD OF SUPERVISORS

Based on the daily supervision records of the Board of Supervisors, the Supervisors’ self-evaluation of the performance of their duties, the regulatory opinions of the Qingdao Bureau of National Financial Regulatory Administration, and the special report of the external audit institution, the Board of Supervisors evaluated the performance of the Bank’s Supervisors for 2024 as follows:

(I) Fulfilling the duty of loyalty

The Supervisors of the Bank took protecting the interests of the Bank for its objective, kept the Bank’s secrets strictly, honestly fulfilled their supervision functions, paid close attention to matters that may harm the Bank’s interests, reported to the Board of Supervisors in a timely manner, and promoted the correction of problems.

(II) Fulfilling the duty of diligence

The Supervisors of the Bank were able to actively perform their duties and obligations as Supervisors, devote time and energy effectively to participate in the Bank’s affairs, keep abreast of the operating management and risk status, attend the meetings of the Board of Supervisors and its special committees as required, with the frequency of attending the Board of Supervisors’ on-site meetings in person by all Supervisors more than two-thirds during the year, and carefully study and make prudent judgments on matters submitted to the Board of Supervisors for consideration. The Board of Supervisors was not aware of any violation of the diligent obligations under laws, regulations and the *Articles of Association*.

(III) Professionalism in performance of duties

The Supervisors of the Bank were all equipped with professional knowledge, work experience and basic quality necessary for duty performance, and continuously improved their professional level, studied and put forward scientific and reasonable opinions and recommendations based on the position of the Board of Supervisors’ duties and

APPENDIX VII EVALUATION REPORT ON THE PERFORMANCE OF DUTIES BY THE SUPERVISORS FOR 2024

responsibilities while combining their professional knowledge, industry experience and work experience, which played a supervision and safeguarding role in the high-quality development of the Bank.

(IV) Independence and moral standards in performance of duties

The Supervisors of the Bank were able to adhere to a high standard of professional ethics and perform their duties independently and autonomously without the control or interference of substantial Shareholders and insiders, so as to promote the Bank to treat all Shareholders fairly, safeguard the legitimate rights and interests of stakeholders, and actively perform social responsibilities.

(V) Compliance in performance of duties

The Supervisors of the Bank were able to comply with laws and regulations, regulatory requirements and the *Articles of Association*, continuously regulate their performance of duties, perform their duties in compliance with the law, and promote and supervise the Bank's law-abiding and compliant operation.

To sum up, the Board of Supervisors is of the opinion that the performance evaluation results of the Supervisors of the Bank for 2024 were all competent.

II. RECOMMENDATIONS OF THE BOARD OF SUPERVISORS

Looking forward to 2025, the global economy still remains great uncertainty and the external environment is complex and volatile. While domestic commercial banks remain generally sound, their operating performance continues to be under pressure due to factors such as the decline in net interest margins. The Board of Supervisors recommends that all Supervisors should focus on key supervision areas, implement the Board of Supervisors' supervision, and pay special attention to certain areas, such as major financial decisions, risk management, strategic execution, etc.; actively participate in various learning and training organized by the Bank to enhance their professionalism in discharging their duties and the ability to perform their duties, so as to assure the effectiveness of supervision by the Board of Supervisors, and continuously contribute to the high-quality development of the Bank.

This report is hereby given.

**EVALUATION REPORT ON PERFORMANCE OF DUTIES OF THE SENIOR
MANAGEMENT AND SENIOR EXECUTIVES FOR 2024**

To Shareholders:

The Board of Supervisors of the Bank, in accordance with the *Code of Corporate Governance for Banking and Insurance Institutions*, the *Guidelines on the Work of the Board of Supervisors of Commercial Banks* and other regulatory regulations, as well as the *Articles of Association of Bank of Qingdao Co., Ltd.* (hereinafter referred to as the “*Articles of Association*”) and the *Measures for evaluation of performance of duties of the senior management and senior executives of Bank of Qingdao Co., Ltd.*, supervised and evaluated the performance of duties of the senior management and senior executives for 2024, and the evaluation is now reported as follows:

I. EVALUATION OF PERFORMANCE OF DUTIES OF SENIOR MANAGEMENT

(I) Performance of duties of senior management

1. *Operation and management*

In 2024, the senior management of the Bank served the local populace and the real economy in accordance with the operation guiding ideology of “deepening strategies, strengthening features, optimizing mechanisms, and refining management”, so as to continuously consolidate the foundation of development and achieve “stable progress and quality improvement” in its business performance. Firstly, the Bank fully achieved its annual business targets. As of the end of 2024, the balance of corporate deposits (excluding accrued interest) was RMB212.153 billion, representing an increase of RMB14.925 billion or 7.57% as compared with that at the end of last year; the balance of corporate loans (including discounted bills and excluding accrued interest) was RMB262.354 billion, representing an increase of RMB41.348 billion or 18.71% as compared with that at the end of last year; the balance of retail deposits amounted to RMB219.798 billion, representing an increase of 16.64%; the balance of the personal inclusive loans was RMB10.718 billion, representing an increase of 9.59% as compared with that at the end of last year. Secondly, the Bank continued to strengthen the Group’s management. In 2024, BQD Financial Leasing achieved initial success in its strategic transformation, fully refocused on core leasing operations, with its real-economy business portfolio reaching 67.02% at the end of the year. During the year, BQD Financial Leasing achieved a net profit of RMB351 million, representing an increase of 40.23%. BQD Wealth Management continuously optimized its product offerings based on client needs and constantly expanded distribution channels, with the balance of wealth management products amounting to RMB199.326 billion and the balance of wealth management investment assets amounting to RMB216.591 billion. Thirdly, in terms of data governance, data quality control processes and monitoring mechanisms were established, which have significantly improved the level of data quality management across the Bank. Fourthly, in terms of performance remuneration, the new regulations on employee grading and compensation management were formally put

into effect, and an employee grading system covering all employees, which includes a clear promotion and demotion mechanism and a “grade-based, pay-for-performance” compensation system were initially set up.

2. ***Risk management***

In 2024, the senior management of the Bank continued to optimize the comprehensive risk management mechanism and established a comprehensive risk monitoring system. Firstly, the management system has been reorganized and improved, and remarkable results have been achieved in risk prevention and control. By deepening the comprehensive risk management system, the senior management issued 48 risk management systems, established a monthly KRI monitoring mechanism, promoted the application of quantitative risk management tools, and improved business continuity management. To improve the market risk management system, the senior management issued nine management systems, strengthened the valuation concentration and limit management and optimized the trading strategy limit indicators. A three-in-one risk monitoring system was established, enabling multi-dimensional monitoring across 15 risk areas, including manufacturing, microloans, and credit cards. Strict trading suspension and resumption management ensured effective coordination in risk identification, analysis, and management. Secondly, the approval mechanism has been optimized to enhance efficiency and facilitate the steady development of business. The senior management piloted dedicated approval roles for technology finance, establishing a service liaison mechanism featuring “pre-engagement communication” and “regular reviews” to enhance the whole process of timely management in credit business and ensure steady improvements in asset quality. Thirdly, the “fund chain” governance system was further refined, achieving the lowest bank card “involvement rate” in criminal cases among peers within the province. A fund early warning and joint defense system was launched, safeguarding the account funds of 14 thousand potential victims of telecom fraud.

3. ***Internal control management***

In 2024, the senior management continued to strengthen internal control and compliance management, and implemented internal control supervision, compliance, and audit inspections to ensure lawful and compliant operations. Firstly, the senior management continued to strengthen the management of internal control systems, paid attention to external regulatory policies and the actual needs of internal operation management, and continuously optimized the rationality and completeness of the system; secondly, the senior management carried out internal control compliance inspections, effectively supervised the implementation of important projects, key measures, and major strategies, strengthened the rectification of problems, and improved the effectiveness of utilizing internal and external inspection results; thirdly, the senior management established a collaborative working mechanism for intra-bank supervision, utilized the joint meeting mechanism, connected various supervisory forces and resources, and built a “large-scale supervision” management system for the Bank; fourthly, the senior

management promoted the construction of internal control and compliance culture, created an online publicity platform for compliance culture, published various compliance guidelines, risk warnings, training and education guidance on a regular basis, reinforced compliance awareness of all employees, and established the concept of creating value through compliance across the Bank.

4. *Consolidated financial statements management*

The senior management organized the bank-wide consolidated financial statements management efforts in compliance with relevant requirements stipulated in the Administrative Measures for Consolidation. Firstly, the senior management leveraged institutional mechanism building to comprehensively standardize and strengthen the Group's consolidated financial statements management system. During the year, the senior management continuously improved the Group's consolidated financial statements management system. On one hand, the senior management revised and updated existing regulations including the Administrative Measures for Consolidation and the Rules of Procedure of the Equity Investment Committee; on the other hand, the senior management proactively formulated the Measures for Equity Investment Management and the Subsidiary Comprehensive Evaluation Measures to ensure the construction of systems to keep pace with the Group's business development. Secondly, with a focus on enhancing the effectiveness of the Group's consolidated financial statements management, the senior management strengthened coordinated management between the parent company and subsidiaries. Centering on the Bank's "One Core with Two Complements" group-wide operation model, the senior management innovatively formulated a work plan to enhance the effectiveness of consolidated financial statements management. The plan specifies detailed management measures across six key areas, including corporate governance, human resources, risk management, and others to comprehensively optimize guidance for subsidiaries, achieving effective risk control and high operational synergy. In addition, the senior management conducted quarterly coordination with all vertical management departments at the head office to continuously enhance supervision and guidance for subsidiaries.

5. *Regular reports*

The senior management has established a regular information reporting system to the Board of Directors, the Board of Supervisors, and their specialized committees, which reporting information on the Bank's operation and management, financial data, risk management and internal control to them on a regular basis, and supporting and cooperating with the Directors and Supervisors in obtaining the various types of information necessary for them to perform their duties. Specifically, for final financial accounts report, profit distribution plan, and consolidated business plan, they shall be reported to the Board of Directors, the Board of Supervisors and their special committees on an annual basis; for president's work report, comprehensive risk management report, they shall be reported to the Board of Directors, the Board of Supervisors and their special committees on a semi-annual basis; for quarterly reports,

internal audit work reports, they shall be reported to the Board of Directors, the Board of Supervisors and their special committees on a quarterly basis; for temporary occurrence of significant matters and other urgent matters which are required to be reported by laws and regulations, they shall be reported to the Board of Directors, the Board of Supervisors and their special committees at all times.

6. *Meetings management*

The senior management of the Bank has established a three-tier meeting deliberation system comprising the executive meetings, presidents' brief meetings, and meetings of the president's office to promptly study and deploy important operational management task, and be responsible for advancing the implementation of the Bank's risk management strategies, policies, and measures. In addition, a number of professional committees have been set up under the senior management to implement the management of specialized areas in accordance with their respective division of responsibilities. Meanwhile, the senior management further established and improved the working mechanism of professional committees, merged and reorganized certain committees with similar functions, standardized the establishment, operation and rules of procedure of the existing committees, published the *Rules of Procedure of Bank of Qingdao's Branch Office Management Committees*, amended the *Rules of Procedure of Bank of Qingdao's Equity Investment Committee*, *Management Measures for Bank of Qingdao's Internal Control and Accountability Committee*, *Management Measures for Bank of Qingdao's Finance Committee*, *Management Measures for Bank of Qingdao's Comprehensive Risk Management Committee*, and other systems and regulations, and held regular meetings to ensure that the committees truly perform their functions and better serve the high-quality development of the Bank.

(II) Evaluation from the Board of Supervisors

To sum up, the Board of Supervisors is of the opinion that in 2024, the senior management of the Bank was able to comply with the requirements of laws, regulations, and the *Articles of Association* while fulfilling their operational and managerial duties under authorisation by the Board of Directors, effectively implement the regulatory requirements, the resolutions of the shareholders' general meeting and the Board of Directors, and the supervisory opinions of the Board of Supervisors. The senior management operated in a standardized manner and performed their duties diligently, and achieved "stable progress and quality improvement" in operation and management, fully exceeded the annual business plan and achieved all the regulatory targets. The senior management continued to strengthen the control of key areas such as credit risk, market risk and liquidity risk to achieve continuous optimization of the quality of the Company's assets, and at the same time conducted timely stress tests to ensure that liquidity and market risk are controllable in general. The senior management continued to improve their budget and assessment management system and enhance the effectiveness of capital management to ensure that capital is commensurate with business development and risk

level. No violations of laws, regulations and provisions of the *Articles of Association* by the senior management were found during the performance of duties, and no behaviors that damage the legitimate rights and interests of depositors and other stakeholders were found.

II. EVALUATION OF PERFORMANCE OF DUTIES OF SENIOR EXECUTIVES

(I) Evaluation from the Board of Supervisors

Based on the daily supervision records of the Board of Supervisors, with reference to the self-evaluation of senior executives on their performance of duties, the Board of Supervisors evaluates the performance of senior managers as follows:

1. *Fulfilling the duty of loyalty*

The senior executives of the Bank actively safeguarded the overall interests of the Bank, and operated it steadily. With excellent professional ethics, they timely reported to the President the matters that may harm the interests of the Bank during daily management and promoted the correction.

2. *Fulfilling the duty of diligence*

The senior executives of the Bank were able to devote sufficient time and energy to the participation in the Bank's affairs, keeping abreast of the operating management and risk status, attending the meetings of the senior management as required, and carefully studying and making prudent judgments on matters submitted to the meetings of senior management for consideration.

3. *Professionalism in performance of duties*

The senior executives of the Bank were able to continuously improve their professional level, study and put forward scientific and reasonable opinions and recommendations based on the position of the senior management duties and responsibilities while combining their professional knowledge, industry experience, and work experience, so as to promote scientific decision-making by the senior management.

4. *Independence and moral standards in performance of duties*

The senior executives of the Bank were able to adhere to a high standard of professional ethics and perform their duties independently and autonomously without the control or interference of substantial Shareholders, so as to promote the Bank to treat fairly legitimate rights and interests of stakeholders, and actively perform social responsibilities.

5. *Compliance in performance of duties*

The senior executives of the Bank were able to comply with laws and regulations, regulatory requirements and the *Articles of Association*, continuously regulate their performance of duties, perform their duties in compliance with the law, and promote and supervise the Bank's law-abiding and compliant operation.

To sum up, the Board of Supervisors is of the opinion that the performance evaluation results of the senior executives of the Bank for 2024 were all competent.

(II) **Recommendations of the Board of Supervisors**

In 2025, the Board of Supervisors recommended that the Bank's senior executives should continue to comprehensively implement the spirit of the Economic and Financial Work Conference at central, provincial, and municipal level under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. The senior executives should scientifically and rationally formulate operational measures and actively promote development and transformation in accordance with the operating guiding ideology of "professional improvement, digital and intelligent empowerment, system optimization, and characteristic driving"; adhere to the positioning of the city commercial bank, study and formulate differentiated development strategies to enhance core competitiveness; scientifically and accurately study the economic situation and lead the entire Bank to overcome difficulties and actively work hard to ensure that the annual operating plan is fully achieved and the three-year strategic plan is successfully concluded.

This report is hereby given.

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024****(Xing Lecheng)**

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in November 1962, I have been an independent non-executive Director of Bank of Qingdao since July 2021, and I am currently serving as the chairman of the Related Party Transactions Control Committee and a member of the Remuneration Committee, the Audit Committee, the Risk Management and Consumer Rights Protection Committee. I have been the director of the Investment and Financing Research Centre of Jinan University and the president of Shandong Provincial Institute of Inclusive Finance since December 2018. I concurrently serve as a member of the Standing Committee of the National People’s Congress of Shandong Province, a director of the China Investment Association, the vice-chairman of Shandong Provincial Association of Venture Capital, as well as an independent director of Tannoy Optoelectronic Materials Company Limited and Shandong Laiwu Rural Commercial Bank Company Limited.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

In 2024, Bank of Qingdao convened 2 general meetings, including 1 annual general meeting and 1 extraordinary general meeting, at which 16 resolutions were considered, and 5 reports were received; the Board convened 16 meetings, 5 of which were on-site meetings and 11 of which were correspondence voting meetings, at which 125 resolutions were considered, and 52 reports were received or reviewed; each of the Board special committees organized a total of 45 meetings, including 4 Strategy Committee meetings, 3 Remuneration Committee meetings,

8 Audit Committee meetings, 2 Nomination Committee meetings, 11 Risk Management and Consumer Rights Protection Committee meetings, 13 Related Party Transactions Control Committee meetings, and 4 Network Security and Information Technology Committee meetings, at which 101 resolutions were considered, and 48 reports were received or reviewed.

As a member of the Board of Directors, the chairman of the Related Party Transactions Control Committee, and a member of the Remuneration Committee, the Audit Committee, the Risk Management and Consumer Rights Protection Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. I considered, reviewed and received quarterly reports, quarterly internal audit reports and other regular issues on a quarterly basis; considered, reviewed and received issues, such as the president's work report, strategy implementation report and comprehensive risk management report on a semi-annual basis; and considered, reviewed and received issues, such as the annual reports, report for final financial accounts, profit distribution proposals, business operation risk appetite plans, proposal on bonus performance disbursement on an annual basis. I also expressed objective and independent opinions at the meetings and performed my duties as an independent non-executive Director. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	Network Security and Information Technology Committee
Xing Lecheng	2/2	16/16	3/3	3/3	-	13/13	8/8	11/11	-

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 1 special research in the Bank through research forum and put forward relevant comments and suggestions. The specific research is as follows:

In October 2024, I participated in a special research in Linyi Branch of Bank of Qingdao, and learned about the basic situation of the Bank's Linyi Branch, the development of operations related businesses in the "Five Major Aspects", risk management and control, and the difficulties faced by the branch's business development. I recommended that the branch should continue to make efforts in

inclusive finance business, comply with the general trend of inclusive finance development under the guidance of the State's policies, and innovatively develop credit products combined with the advantages of the Linyi inclusive finance experimental zone, thereby cultivating a BQD-differentiated inclusive finance.

2. *Participation in training*

In 2024, I participated in a number of trainings organized by regulatory authorities, industry self-discipline organizations, intermediaries and other entities, and my main participation are set out below:

- (1) I participated in the Lecture on Risk Prevention and Dispute Resolution for Listed Companies under the new *Company Law* organized by China Association for Public Companies and Shenzhen Court of International Arbitration, mainly focusing on the key amendments of the new *Company Law*, the key points of risk prevention of listed companies and the dispute resolution mechanism of listed companies.
- (2) I participated in the continuous supervision training organized by CITIC Securities, the sponsor, mainly focusing on five parts, namely: continuous supervision rules, corporate standard operation, information disclosure, insider trading, and code of conduct for directors, supervisors and senior management.
- (3) I participated in the Capacity Building Training for Independent Directors (Phase II) organized by China Association for Public Companies to gain an in-depth understanding of the revision of the Company Law, the obligations and responsibilities of directors, supervisors and senior managements, and the key points of the duties of independent directors of listed companies and case interpretations.
- (4) I participated in the Capacity Building Training for Independent Directors (Phase III) organized by China Association for Public Companies to grasp the essence of the *Guidelines on the Performance of Duties by Independent Directors of Listed Companies (2024 Revision)* to deepen my understanding of the performance of independent directors and improve the efficiency and effectiveness of my duties.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 25 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also held in-depth discussions with multiple departments including the Strategy Department, the Risk Management Department, and the Legal Compliance Department of Bank of Qingdao, to fully understand the recent operational and management situation of the Bank. Taking

advantage of my strengths, I actively promoted the development of Bank of Qingdao's inclusive business. I went into the front line and visited the business departments of Linyi Branch, Lanshan Sub-branch of Linyi Branch and other branches and sub-branches, and held meetings with relevant responsible persons, keeping close attention to the operational situations.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and annual audits of the Bank to safeguard the legal interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

On 21 March 2024, the Bank held the first meeting of the independent Directors' special meeting of the 8th session of the Board, and considered and approved the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024*.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, the profit distribution plan, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	5 January 2024	42nd meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
2	31 January 2024	43rd meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Consumer Finance Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Finance Co., Ltd. Independent Opinion 3: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS New Material Technology Joint-stock Limited Company Independent Opinion 4: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS Composite New Material Technology Co., Ltd.
3	26 March 2024	44th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
4	28 March 2024	45th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the <i>Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 2: Independent Opinion on the Engagement of External Auditors of Bank of Qingdao Co., Ltd. for 2024 and their Remuneration Independent Opinion 3: Independent Opinion on the Resolution on Appropriation of Staff Bonus and the Distribution of Performance Bonus of Senior Management at Bank Level of Bank of Qingdao Co., Ltd. for 2023 Independent Opinion 4: Independent Opinion on the List of Candidates for Directors of the Ninth Session of the Board of Directors of Bank of Qingdao Co., Ltd. Independent Opinion 6: Independent Opinion on the <i>Internal Control Evaluation Report of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 7: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 8: Independent Opinion on the Derivatives Investment and Risk Control of Bank of Qingdao Co., Ltd.
5	29 April 2024	46th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Doublestar Co., Ltd.
6	14 May 2024	47th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Resolution on the Optimization of the Employee Grading System and Compensation System of Bank of Qingdao Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
7	25 June 2024	48th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and BQD Financial Leasing Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
8	14 July 2024	49th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haitian (BVI) International Investment Development Limited
9	31 July 2024	50th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
10	26 August 2024	1st meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Appointment of Senior Management Members Independent Opinion 2: Independent Opinion on the Appointment of General Manager of Audit Department
11	28 August 2024	2nd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Group (Qingdao) Jinying Holdings Co., Ltd.
12	7 September 2024	3rd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Haiyun Chuangzhi Business Development Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Kataichi Automotive Technology Development Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
13	27 November 2024	6th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of Asset Custody Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions of Commission Sale Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited
14	25 December 2024	7th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of the Bond Distribution Transaction Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.

3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

In 2025, I will continue to earnestly participate in the meetings of the Board of Directors and special committees in accordance with requirements of domestic and foreign laws and regulations, express opinions independently and objectively, and perform my duties faithfully and diligently, actively participate in special investigations, come to the Bank for on-site work, bring my professional and independent nature into blossom, provide advice and suggestions for the Bank's business development, promote the Bank to achieve sustainable and high-quality development, and earnestly safeguard the legal rights and interests of the Bank and Shareholders, especially minority Shareholders.

This report is hereby given.

Independent Non-Executive Director: Xing Lecheng

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024****(Zhang Xu)**

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in November 1969, I was appointed as an independent non-executive Director of the Bank in July 2021, and currently serves as the chairman of the Remuneration Committee, and a member of the Nomination Committee, the Related Party Transactions Control Committee and the Risk Management and Consumer Rights Protection Committee. I have been teaching at Qingdao University since July 1993 and am currently a professor in the Department of Finance, School of Economics, Qingdao University. I concurrently serve as a member of the Standing Committee of the Qingdao Political Consultative Conference, the vice-chairman of the Qingdao Municipal Committee of the Jiu San Society, a special researcher of the expert decision-making advisory committee of the Qingdao municipal government, a committee member of Economy Development Society of China Association for Study of Foreign Economic, a vice president of Qingdao Urban Economics Society, and an external director of Weifang Rural Credit Cooperative Union.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

In 2024, Bank of Qingdao convened 2 general meetings, including 1 annual general meeting and 1 extraordinary general meeting, at which 16 resolutions were considered, and 5 reports were received; the Board convened 16 meetings, 5 of which were on-site meetings and 11 of which were correspondence voting meetings, at which 125 resolutions were considered, and 52 reports were received or reviewed; each of the Board special committees organized a total of

45 meetings, including 4 Strategy Committee meetings, 3 Remuneration Committee meetings, 8 Audit Committee meetings, 2 Nomination Committee meetings, 11 Risk Management and Consumer Rights Protection Committee meetings, 13 Related Party Transactions Control Committee meetings, and 4 Network Security and Information Technology Committee meetings, at which 101 resolutions were considered, and 48 reports were received or reviewed.

As a member of the Board of Directors, the chairman of the Remuneration Committee, and a member of the Nomination Committee, the Related Party Transactions Control Committee, and the Risk Management and Consumer Rights Protection Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. I considered, reviewed and received quarterly reports, quarterly internal audit reports and other regular issues on a quarterly basis; considered, reviewed and received issues, such as the president's work report, strategy implementation report and comprehensive risk management report on a semi-annual basis; and considered, reviewed and received issues, such as the annual reports, report for final financial accounts, profit distribution proposals, business operation risk appetite plans, proposal on bonus performance disbursement on an annual basis. I also expressed objective and independent opinions at the meetings and performed my duties as an independent non-executive Director. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	Network Security and Information Technology Committee
Zhang Xu	2/2	16/16	3/3	3/3	2/2	13/13	4/4	11/11	-

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 1 special research in the Bank through research forum and put forward relevant comments and suggestions. The specific research is as follows:

In June 2024, I participated in a special research in Jinan Branch of Bank of Qingdao, and learned about the development status of the Bank's Jinan Branch in the past five years, the promotion of the strategy of making the Jinan Branch bigger and stronger,

and the difficulties faced by Jinan Branch, etc.; I recommended that the concept of embedding comprehensive risk management throughout the development process of the branch, and that the bottom line of risk prevention and control should be strictly enforced; and that the supervisory resources of the branch's auditing, risk, and disciplinary departments be consolidated to carry out collaborative supervision in conjunction with the head office to ensure compliant operation and high-quality development.

2. *Participation in training*

In 2024, I participated in a number of trainings organized by regulatory authorities, industry self-discipline organizations, intermediaries and other entities, and my main participation is set out below:

- (1) I participated in the Lecture on Risk Prevention and Dispute Resolution for Listed Companies under the new *Company Law* organized by China Association for Public Companies and Shenzhen Court of International Arbitration, mainly focusing on the key amendments of the new *Company Law*, the key points of risk prevention of listed companies and the dispute mitigation mechanism of listed companies.
- (2) I participated in the continuous supervision training organized by CITIC Securities, the sponsor, mainly focusing on five parts, namely: continuous supervision rules, corporate standard operation, information disclosure, insider trading, and code of conduct for directors, supervisors and senior management.
- (3) I participated in the Capacity Building Training for Independent Directors (Phase II) organized by China Association for Public Companies to gain an in-depth understanding of the revision of the Company Law, the obligations and responsibilities of directors, supervisors and senior managements, and the key points of the duties of independent directors of listed companies and case interpretations.
- (4) I participated in the 142nd Training Course for Independent Directors of Listed Companies (Follow-up Training) organized by the Shenzhen Stock Exchange to gain a deeper understanding of the duties and obligations of independent directors, and the key points of performance practice, etc., so as to facilitate the enhancement of the compliance awareness and the ability of independent directors to perform their duties.
- (5) I participated in the Capacity Building Training for Independent Directors (Phase III) organized by China Association for Public Companies to grasp the essence of the *Guidelines on the Performance of Duties by Independent Directors of Listed Companies (2024 Revision)* to deepen my understanding of the performance of independent directors and improve the efficiency and effectiveness of my duties.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 24 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also held in-depth discussions with multiple departments including the Training Department, the Human Resources Department, and the Office of the Board of Directors, to keep abreast of the dynamics of the Bank's related work. I conscientiously read the monthly Correspondences to the Directors and Supervisors, so as to grasp the Bank's operation and management activities, market information, supervisory dynamics, shareholder news, etc., thereby expanding my channels to learn about matters related to Bank of Qingdao, the shareholders, and regulation, etc. I went into the front line and visited the business departments of Jinan Branch, Free Trade Zone Sub-branch of Jinan Branch and other branches and sub-branches, and held meetings with relevant responsible persons, keeping close attention to the operational situations.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and annual audits of the Bank to safeguard the interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

On 21 March 2024, the Bank held the first meeting of the independent Directors' special meeting of the 8th session of the Board, and considered and approved the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024*.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, the profit distribution plan, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	5 January 2024	42nd meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
2	31 January 2024	43rd meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Consumer Finance Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Finance Co., Ltd. Independent Opinion 3: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS New Material Technology Joint-stock Limited Company Independent Opinion 4: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS Composite New Material Technology Co., Ltd.
3	26 March 2024	44th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
4	28 March 2024	45th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the <i>Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 2: Independent Opinion on the Engagement of External Auditors of Bank of Qingdao Co., Ltd. for 2024 and their Remuneration Independent Opinion 3: Independent Opinion on the Resolution on Appropriation of Staff Bonus and the Distribution of Performance Bonus of Senior Management at Bank Level of Bank of Qingdao Co., Ltd. for 2023 Independent Opinion 4: Independent Opinion on the List of Candidates for Directors of the Ninth Session of the Board of Directors of Bank of Qingdao Co., Ltd. Independent Opinion 5: Independent Opinion on the Matter on Estimated Amount of Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. Independent Opinion 6: Independent Opinion on the <i>Internal Control Evaluation Report of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 7: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 8: Independent Opinion on the Derivatives Investment and Risk Control of Bank of Qingdao Co., Ltd.
5	29 April 2024	46th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Doublestar Co., Ltd.
6	14 May 2024	47th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Resolution on the Optimization of the Employee Grading System and Compensation System of Bank of Qingdao Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
7	25 June 2024	48th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and BQD Financial Leasing Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
8	14 July 2024	49th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haitian (BVI) International Investment Development Limited
9	31 July 2024	50th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
10	26 August 2024	1st meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Appointment of Senior Management Members Independent Opinion 2: Independent Opinion on the Appointment of General Manager of Audit Department
11	28 August 2024	2nd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Group (Qingdao) Jinying Holdings Co., Ltd.
12	7 September 2024	3rd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Haiyun Chuangzhi Business Development Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Kataichi Automotive Technology Development Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
13	27 November 2024	6th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of Asset Custody Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions of Commission Sale Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited
14	25 December 2024	7th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of the Bond Distribution Transaction Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.

3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

In 2025, I will continue to earnestly participate in the meetings of the Board of Directors and special committees in accordance with requirements of domestic and foreign laws and regulations, express opinions independently and objectively, and perform my duties faithfully and diligently, actively participate in special investigations, come to the Bank for on-site work, bring my professional and independent nature into blossom, provide advice and suggestions for the Bank's business development, promote the Bank to achieve sustainable and high-quality development, and earnestly safeguard the legal rights and interests of the Bank and Shareholders, especially minority Shareholders.

This report is hereby given.

Independent Non-Executive Director: Zhang Xu

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024**
(Cheung Man Chor, Elton)

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in September 1972, I have served as an independent non-executive Director of the Bank since April 2023, and currently serve as the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. Since May 2021, I have served as a group partner, chief strategy officer and chief legal officer of VMS Investment Group (HK) Limited.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

In 2024, Bank of Qingdao convened 2 general meetings, including 1 annual general meeting and 1 extraordinary general meeting, at which 16 resolutions were considered, and 5 reports were received; the Board convened 16 meetings, 5 of which were on-site meetings and 11 of which were correspondence voting meetings, at which 125 resolutions were considered, and 52 reports were received or reviewed; each of the Board special committees organized a total of 45 meetings, including 4 Strategy Committee meetings, 3 Remuneration Committee meetings, 8 Audit Committee meetings, 2 Nomination Committee meetings, 11 Risk Management and Consumer Rights Protection Committee meetings, 13 Related Party Transactions Control Committee meetings, and 4 Network Security and Information Technology Committee meetings, at which 101 resolutions were considered, and 48 reports were received or reviewed.

As a member of the Board of Directors, the chairman of the Nomination Committee, and a member of the Audit Committee and the Remuneration Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. I considered, reviewed and received quarterly reports, quarterly internal audit reports and other regular issues on a quarterly basis; considered, reviewed and received issues, such as the president's work report, strategy implementation report and comprehensive risk management report on a semi-annual basis; and considered, reviewed and received issues, such as the annual reports, report for final financial accounts, profit distribution proposals, business operation risk appetite plans, proposal on bonus performance disbursement on an annual basis. I also expressed objective and independent opinions at the meetings and performed my duties as an independent non-executive Director. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	Network Security and Information Technology Committee
Cheung Man Chor, Elton	2/2	16/16	-	3/3	2/2	-	8/8	-	-

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 2 special researches in the Bank through research forums and put forward relevant comments and suggestions. The specific researches are as follows:

(1) Special research in Jinan Branch of Bank of Qingdao

In June 2024, I participated in a special research in Jinan Branch of Bank of Qingdao, and learned about the development status of the Bank's Jinan Branch in the past five years, the promotion of the strategy of making the Jinan Branch bigger and stronger, and the difficulties faced by Jinan Branch, etc.; I recommended that Jinan Branch should strengthen the construction of its "three major centers", and increase supporting facilities for key positions such as

credit granting and human resources. The assistance to Jinan Branch's "three major centers" should be enhanced, the workforce support from headquarters' key departments assigned to Jinan should be reinforced, and the efficiency of professional approval processes should be improved.

(2) *Special research in Linyi Branch of Bank of Qingdao*

In October 2024, I participated in a special research in Linyi Branch of Bank of Qingdao, and learned about the basic situation of the Bank's Linyi Branch, the development of operations related businesses in the "Five Major Aspects", risk management and control, and the difficulties faced by the branch's business development. I recommended that Linyi Branch should prioritize acquiring high-quality clients aligned with national strategic development directions, without neglecting them due to their small scale, and grow alongside these clients.

2. *Participation in training*

In 2024, I participated in a number of trainings organized by regulatory authorities, industry self-discipline organizations, intermediaries and other entities, and my main participation is set out below:

- (1) I participated in the Lecture on Risk Prevention and Dispute Resolution for Listed Companies under the new *Company Law* organized by China Association for Public Companies and Shenzhen Court of International Arbitration, mainly focusing on the key amendments of the new *Company Law*, the key points of risk prevention of listed companies and the dispute resolution mechanism of listed companies.
- (2) I participated in the continuous supervision training organized by CITIC Securities, the sponsor, mainly focusing on five parts, namely: continuous supervision rules, corporate standard operation, information disclosure, insider trading, and code of conduct for directors, supervisors and senior management.
- (3) I participated in the Capacity Building Training for Independent Directors (Phase II) organized by China Association for Public Companies to gain an in-depth understanding of the revision of the Company Law, the obligations and responsibilities of directors, supervisors and senior managements, and the key points of the duties of independent directors of listed companies and case interpretations.
- (4) I participated in the Capacity Building Training for Independent Directors (Phase III) organized by China Association for Public Companies to grasp the essence of the *Guidelines on the Performance of Duties by Independent Directors of Listed Companies (2024 Revision)* to deepen my understanding of the performance of independent directors and improve the efficiency and effectiveness of my duties.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 17.5 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also held in-depth discussions with multiple departments including the Risk Management Department, the Audit Department, and the Planning and Finance Department of Bank of Qingdao, to fully understand the recent operational and management situation of the Bank and give guidance. By studying various videos on the training platform of the China Association for Public Companies, I actively enhanced my capabilities to act as an independent Director and strengthened my sense of responsibility as an independent Director. I went into the front line and visited the business departments of Linyi Branch, Lanshan Sub-branch of Linyi Branch and other branches and sub-branches, and held meetings with relevant responsible persons, keeping close attention to the operational situations.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and external audits of the Bank to safeguard the interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

On 21 March 2024, the Bank held the first meeting of the independent Directors' special meeting of the 8th session of the Board, and considered and approved the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024*.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, the appointment of senior management members, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	5 January 2024	42nd meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
2	31 January 2024	43rd meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Consumer Finance Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Finance Co., Ltd. Independent Opinion 3: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS New Material Technology Joint-stock Limited Company Independent Opinion 4: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS Composite New Material Technology Co., Ltd.
3	26 March 2024	44th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
4	28 March 2024	45th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the <i>Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 2: Independent Opinion on the Engagement of External Auditors of Bank of Qingdao Co., Ltd. for 2024 and their Remuneration Independent Opinion 3: Independent Opinion on the Resolution on Appropriation of Staff Bonus and the Distribution of Performance Bonus of Senior Management at Bank Level of Bank of Qingdao Co., Ltd. for 2023 Independent Opinion 4: Independent Opinion on the List of Candidates for Directors of the Ninth Session of the Board of Directors of Bank of Qingdao Co., Ltd. Independent Opinion 5: Independent Opinion on the Matter on Estimated Amount of Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. Independent Opinion 6: Independent Opinion on the <i>Internal Control Evaluation Report of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 7: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 8: Independent Opinion on the Derivatives Investment and Risk Control of Bank of Qingdao Co., Ltd.
5	29 April 2024	46th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Doublestar Co., Ltd.
6	14 May 2024	47th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Resolution on the Optimization of the Employee Grading System and Compensation System of Bank of Qingdao Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
7	25 June 2024	48th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and BQD Financial Leasing Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
8	14 July 2024	49th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haitian (BVI) International Investment Development Limited
9	31 July 2024	50th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
10	26 August 2024	1st meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Appointment of Senior Management Members Independent Opinion 2: Independent Opinion on the Appointment of General Manager of Audit Department
11	28 August 2024	2nd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Group (Qingdao) Jinying Holdings Co., Ltd.
12	7 September 2024	3rd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Haiyun Chuangzhi Business Development Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Kataichi Automotive Technology Development Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
13	27 November 2024	6th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of Asset Custody Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions of Commission Sale Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited
14	25 December 2024	7th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of the Bond Distribution Transaction Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.

3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

In 2025, I will continue to earnestly participate in the meetings of the Board of Directors and special committees in accordance with requirements of domestic and foreign laws and regulations, express opinions independently and objectively, and perform my duties faithfully and diligently, actively participate in special investigations, come to the Bank for on-site work, bring my professional and independent nature into blossom, provide advice and suggestions for the Bank's business development, promote the Bank to achieve sustainable and high-quality development, and earnestly safeguard the legal rights and interests of the Bank and Shareholders, especially minority Shareholders.

This report is hereby given.

Independent Non-Executive Director: Cheung Man Chor, Elton

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024****(Du Ning)**

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in July 1977, I have served as an independent non-executive Director of the Bank since December 2023. Currently, I serve as the chairman of the Network Security and Information Technology Committee and a member of the Strategy Committee, the Risk Management and Consumer Rights Protection Committee and the Nomination Committee. Since July 2021, I have served as the chief executive officer of Regtek (Beijing) Technologies Co., Ltd.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

In 2024, Bank of Qingdao convened 2 general meetings, including 1 annual general meeting and 1 extraordinary general meeting, at which 16 resolutions were considered, and 5 reports were received; the Board convened 16 meetings, 5 of which were on-site meetings and 11 of which were correspondence voting meetings, at which 125 resolutions were considered, and 52 reports were received or reviewed; each of the Board special committees organized a total of 45 meetings, including 4 Strategy Committee meetings, 3 Remuneration Committee meetings, 8 Audit Committee meetings, 2 Nomination Committee meetings, 11 Risk Management and Consumer Rights Protection Committee meetings, 13 Related Party Transactions Control Committee meetings, and 4 Network Security and Information Technology Committee meetings, at which 101 resolutions were considered, and 48 reports were received or reviewed.

As a member of the Board of Directors, the chairman of the Network Security and Information Technology Committee, and a member of the Strategy Committee, the Risk Management and Consumer Rights Protection Committee and the Nomination Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. With the exception of the attendance at the 6th meeting of the ninth session of the Board of Directors and the 4th meeting of the ninth session of the Risk Management and Consumer Rights Protection Committee which I delegated to Zhang Xu, an independent Director in accordance with the laws and regulations due to the arrangements for my official duties. I considered, reviewed and received quarterly reports, quarterly internal audit reports and other regular issues on a quarterly basis; considered, reviewed and received issues, such as the president's work report, strategy implementation report and comprehensive risk management report on a semi-annual basis; and considered, reviewed and received issues, such as the annual reports, report for final financial accounts, profit distribution proposals, business operation risk appetite plans, proposal on bonus performance disbursement on an annual basis. I also expressed objective and independent opinions at the meetings and performed my duties as an independent non-executive Director. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	Network Security and Information Technology Committee
Du Ning	2/2	15/16	1/1	3/3	2/2	8/8	-	4/5	4/4

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 2 special researches in the Bank through research forums and put forward relevant comments and suggestions. The specific researches are as follows:

(1) *Special research in Jinan Branch of Bank of Qingdao*

In June 2024, I participated in a special research in Jinan Branch of Bank of Qingdao, and learned about the development status of the Bank's Jinan Branch in the past five years, the promotion of the strategy of making the Jinan Branch bigger and stronger, and the difficulties faced by Jinan Branch, etc.; I recommended that Jinan Branch should use digital means to enhance the role of auditing in risk control, and to build a whole-process, real-time monitoring system covering the pre-event, event, and post-event through digital means.

(2) *Special research in Linyi Branch of Bank of Qingdao*

In October 2024, I participated in a special research in Linyi Branch of Bank of Qingdao, and learned about the basic situation of the Bank's Linyi Branch, the development of operations related businesses in the "Five Major Aspects", risk management and control, and the difficulties faced by the branch's business development. I recommended that Linyi Branch should focus on expanding its retail business, increasing the retail market share, and strengthening brand promotion. As Linyi boasting a diverse and abundant industrial landscape, I recommended to strengthen, deepen and solidify the food industry's development while maintaining consistent focus on risk prevention and control.

2. *Participation in training*

In 2024, I participated in a number of trainings organized by regulatory authorities, industry self-discipline organizations, intermediaries and other entities, and my main participation is set out below:

- (1) I participated in the Lecture on Risk Prevention and Dispute Resolution for Listed Companies under the new *Company Law* organized by China Association for Public Companies and Shenzhen Court of International Arbitration, mainly focusing on the key amendments of the new *Company Law*, the key points of risk prevention of listed companies and the dispute mitigation mechanism of listed companies.
- (2) I participated in the continuous supervision training organized by CITIC Securities, the sponsor, mainly focusing on five parts, namely: continuous supervision rules, corporate standard operation, information disclosure, insider trading, and code of conduct for directors, supervisors and senior management.
- (3) I participated in the Capacity Building Training for Independent Directors (Phase II) organized by China Association for Public Companies to gain an in-depth understanding of the revision of the Company Law, the obligations and

responsibilities of directors, supervisors and senior managements, and the key points of the duties of independent directors of listed companies and case interpretations.

- (4) I participated in the 142nd Training Course for Independent Directors of Listed Companies (Follow-up Training) organized by the Shenzhen Stock Exchange to gain a deeper understanding of the duties and obligations of independent directors, and the key points of performance practice, etc., so as to facilitate the enhancement of the compliance awareness and the ability of independent directors to perform their duties.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 23 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also participated in seminars on the IT strategic planning and data strategy plan of Bank of Qingdao, and put forward opinions and suggestions on the improvement of the relevant planning and work by leveraging on my professional expertise. At the same time, I also held in-depth discussions with multiple departments including the Information Technology Department, Data Management Department, Training Department and other departments of Bank of Qingdao, to fully understand the recent situation of the Bank's related work. I went into the front line and visited the business departments of Linyi Branch, Lanshan Sub-branch of Linyi Branch and other branches and sub-branches, and held meetings with relevant responsible persons, keeping close attention to the operational situations.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and annual audits of the Bank to safeguard the legal interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

On 21 March 2024, the Bank held the first meeting of the independent Directors' special meeting of the 8th session of the Board, and considered and approved the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024*.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, the profit distribution plan, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	5 January 2024	42nd meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.
2	31 January 2024	43rd meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Consumer Finance Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Finance Co., Ltd. Independent Opinion 3: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS New Material Technology Joint-stock Limited Company Independent Opinion 4: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS Composite New Material Technology Co., Ltd.
3	26 March 2024	44th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
4	28 March 2024	45th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the <i>Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 2: Independent Opinion on the Engagement of External Auditors of Bank of Qingdao Co., Ltd. for 2024 and their Remuneration Independent Opinion 3: Independent Opinion on the Resolution on Appropriation of Staff Bonus and the Distribution of Performance Bonus of Senior Management at Bank Level of Bank of Qingdao Co., Ltd. for 2023 Independent Opinion 4: Independent Opinion on the List of Candidates for Directors of the Ninth Session of the Board of Directors of Bank of Qingdao Co., Ltd. Independent Opinion 5: Independent Opinion on the Matter on Estimated Amount of Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. Independent Opinion 6: Independent Opinion on the <i>Internal Control Evaluation Report of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 7: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 8: Independent Opinion on the Derivatives Investment and Risk Control of Bank of Qingdao Co., Ltd.
5	29 April 2024	46th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Doublestar Co., Ltd.
6	14 May 2024	47th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Resolution on the Optimization of the Employee Grading System and Compensation System of Bank of Qingdao Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
7	25 June 2024	48th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and BQD Financial Leasing Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
8	14 July 2024	49th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haitian (BVI) International Investment Development Limited
9	31 July 2024	50th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
10	26 August 2024	1st meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Appointment of Senior Management Members Independent Opinion 2: Independent Opinion on the Appointment of General Manager of Audit Department
11	28 August 2024	2nd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Group (Qingdao) Jinying Holdings Co., Ltd.
12	7 September 2024	3rd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Haiyun Chuangzhi Business Development Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Kataichi Automotive Technology Development Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
13	27 November 2024	6th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of Asset Custody Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions of Commission Sale Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited
14	25 December 2024	7th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of the Bond Distribution Transaction Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.

3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

In 2025, I will continue to earnestly participate in the meetings of the Board of Directors and special committees in accordance with requirements of domestic and foreign laws and regulations, express opinions independently and objectively, and perform my duties faithfully and diligently, actively participate in special investigations, come to the Bank for on-site work, bring my professional and independent nature into blossom, provide advice and suggestions for the Bank's business development, promote the Bank to achieve sustainable and high-quality development, and earnestly safeguard the legal rights and interests of the Bank and Shareholders, especially minority Shareholders.

This report is hereby given.

Independent Non-Executive Director: Du Ning

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024****(Fan Xuejun)**

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in May 1973, I have been an independent non-executive Director of Bank of Qingdao since August 2024, and I am currently serving as the chairman of the Audit Committee and a member of the Remuneration Committee, the Nomination Committee, and the Related Party Transactions Control Committee. I have been a partner and a member of the internal audit committee of RSM China (special general partner) since December 2016.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

Upon my commencement of duties in August 2024, the Bank has held 1 general meeting, at which 1 resolution was considered and approved; the Board convened 7 meetings, 3 of which were on-site meetings and 4 of which were correspondence voting meetings, at which 40 resolutions were considered, and 21 reports were reviewed or received; each of the Board special committees organized a total of 16 meetings, including 1 Strategy Committee meeting, 0 Remuneration Committee meeting, 4 Audit Committee meetings, 0 Nomination Committee meeting, 5 Risk Management and Consumer Rights Protection Committee meetings, 5 Related Party Transactions Control Committee meetings, and 1 Network Security and Information Technology Committee meeting, at which 29 resolutions were considered, and 21 reports were received or reviewed.

As the chairman of the Audit Committee, and a member of the Remuneration Committee, the Nomination Committee, and the Related Party Transactions Control Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. I considered, reviewed and received a number of issues such as semi-annual reports, semi-annual president's work report, major related party transactions in a careful manner. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	Network Security and Information Technology Committee
Fan Xuejun	1/1	7/7	-	-	-	5/5	4/4	-	-

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 1 special research in the Bank through research forum and put forward relevant comments and suggestions. The specific research is as follows:

In October 2024, I participated in a special research in Linyi Branch of Bank of Qingdao, and learned about the basic situation of the Bank's Linyi Branch, the development of operations related businesses in the "Five Major Aspects", risk management and control, and the difficulties faced by the branch's business development. I recommended that Linyi Branch should track the development of the health and wellness and conduct industry research and layout in advance. Linyi Branch shall be fully coordinated, macroscopically considered, strategically planned, focusing on pillar industries and keeping up with emerging industries based on traditional industries.

2. Participation in training

In 2024, I participated in the Capacity Building Training for Independent Directors (Phase III) organized by China Association for Public Companies to grasp the essence of the *Guidelines on the Performance of Duties by Independent Directors of Listed Companies (2024 Revision)* to deepen my understanding of the performance of independent directors and improve the efficiency and effectiveness of my duties.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 15.5 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also held in-depth discussions with multiple departments including the Office of the Board of Directors, the Human Resources Department, and the Strategy Department of Bank of Qingdao, to fully understand the recent operational and management situation of the Bank. I went into the front line and visited the business departments of Linyi Branch, Lanshan Sub-branch of Linyi Branch and other branches and sub-branches, and held meetings with relevant responsible persons, keeping close attention to the operational situations.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and annual audits of the Bank to safeguard the interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

Since my commencement of duties in August 2024, the Bank did not hold the other special meeting of independent Directors during 2024. In 2025, I will participate in the special meetings of independent Directors in accordance with regulations and actively play the due role of an independent Director.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	26 August 2024	1st meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Appointment of Senior Management Members Independent Opinion 2: Independent Opinion on the Appointment of General Manager of Audit Department
2	28 August 2024	2nd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Group (Qingdao) Jinying Holdings Co., Ltd.
3	7 September 2024	3rd meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Haiyun Chuangzhi Business Development Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Kataichi Automotive Technology Development Co., Ltd.
4	27 November 2024	6th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of Asset Custody Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions of Commission Sale Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited
5	25 December 2024	7th meeting of the 9th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions of the Bond Distribution Transaction Business between Bank of Qingdao Co., Ltd. and BQD Wealth Management Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.
3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the

course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

In 2025, I will continue to earnestly participate in the meetings of the Board of Directors and special committees in accordance with requirements of domestic and foreign laws and regulations, express opinions independently and objectively, and perform my duties faithfully and diligently, actively participate in special investigations, come to the Bank for on-site work, bring my professional and independent nature into blossom, provide advice and suggestions for the Bank's business development, promote the Bank to achieve sustainable and high-quality development, and earnestly safeguard the legal rights and interests of the Bank and Shareholders, especially minority Shareholders.

This report is hereby given.

Independent Non-Executive Director: Fan Xuejun

**PERFORMANCE REPORT OF THE INDEPENDENT NON-EXECUTIVE
DIRECTORS OF BANK OF QINGDAO CO., LTD. FOR 2024**
(Fang Qiaoling)

Dear Shareholders:

As an independent non-executive Director of Bank of Qingdao Co., Ltd. (hereinafter referred to as “Bank of Qingdao” or “the Bank”), I performed my duties faithfully and diligently by strictly following the *Company Law*, the *Securities Law*, the *Corporate Governance Standards for Banking or Insurance Institutions*, the *Rules Governing Listing of Stocks on the Shenzhen Stock Exchange*, and other laws and regulations as well as the relevant provisions of the *Articles of Association* of the Bank, and shall not be influenced by major Shareholders of the Bank, related parties, or other units or individuals having a material interest with the Bank and its major Shareholders or related parties in 2024. I actively participated in meetings of the Board of Directors and its special committees, independently, objectively and impartially expressed opinions and suggestions on matters considered by the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Bank, the small and medium-sized Shareholders, and other stakeholders. I hereby report my performance of duties in 2024 as follows:

I. MY BASIC SITUATIONS

Born in October 1975, I have been an independent non-executive Director of Bank of Qingdao since June 2018, and resigned in August 2024. Previously, I served as the chairman of the Audit Committee and a member of the Nomination Committee, the Related Party Transactions Control Committee, and the Risk Management and Consumer Rights Protection Committee. I have been teaching at Management College of Ocean University of China since July 1999. Presently, I serve as a professor and supervisor for Ph.D. candidates in Management College of Ocean University of China. I concurrently serve as an executive council member of the Shandong Provincial Accounting Society, president of Business Accounting Society of Qingdao, and vice president of Qingdao Auditing Society.

II. THE PERFORMANCE OF DUTIES FOR 2024

Bank of Qingdao provided strong support to the independent Directors in discharging their duties, continuously enhanced its performance support, and furnished all necessary conditions for their role fulfillment.

(I) Attendance

During my term of office in 2024, Bank of Qingdao convened the 2023 annual general meeting, at which 15 resolutions were considered, and 5 reports were reviewed; the Board convened 9 meetings, 2 of which were on-site meetings and 7 of which were correspondence voting meetings, at which 85 resolutions were considered, and 31 reports were reviewed or received; each of the Board special committees organized a total of 29 meetings, including 3 Strategy Committee meetings, 3 Remuneration Committee meetings, 4 Audit Committee meetings, 2 Nomination Committee meetings, 6 Risk Management and Consumer Rights

Protection Committee meetings, 8 Related Party Transactions Control Committee meetings, and 3 Network Security and Information Technology Committee meetings, at which 72 resolutions were considered, and 27 reports were received or reviewed.

As a member of the Board of Directors, the chairman of the Audit Committee, and a member of the Nomination Committee, the Related Party Transactions Control Committee, and the Risk Management and Consumer Rights Protection Committee, I attended the general meeting, meetings of the Board of Directors and meetings of the special committees to which I belonged in person in accordance with the rules and regulations, and voted on the relevant resolutions on the basis of the principles of independence, objectivity and impartiality. I conscientiously considered, reviewed and received issues, such as the annual reports, report for final financial accounts, profit distribution proposals, business operation risk appetite plans, proposal on bonus performance disbursement. I also expressed objective and independent opinions at the meetings and performed my duties as an independent non-executive Director. Details of the attendance of the meetings are set out below:

Number of actual attendance/Number of scheduled attendance									
Name	General Meeting	Board of Directors	Special committee meetings of the Board of Directors						Network Security and Information Technology Committee
			Strategy Committee	Remuneration Committee	Nomination Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management and Consumer Rights Protection Committee	
Fang Qiaoling	1/1	9/9	-	-	2/2	8/8	4/4	6/6	-

(II) Participation in training and research

1. Participation in research

In 2024, in addition to attending the meetings of the Board of Directors and special committees, I also conducted 1 special research in the Bank through research forum and put forward relevant comments and suggestions. The specific research is as follows:

In June 2024, I participated in a special research in Jinan Branch of Bank of Qingdao, and learned about the development status of the Bank's Jinan Branch in the past five years, the promotion of the strategy of making the Jinan Branch bigger and stronger, and the difficulties faced by Jinan Branch, etc.; I recommended that Jinan Branch should focus on customers, strengthen the integrated use of products among different lines, and increase the proportion of capital-light businesses. Jinan Branch should focus on key customers, products, and institutions, and customize financing solutions based on the actual situation of the enterprise to better meet the capital needs of enterprises.

2. *Participation in training*

In 2024, I participated in a number of trainings organized by regulatory authorities, industry self-discipline organizations, intermediaries and other entities, and my main participation are set out below:

- (1) I participated in the Lecture on Risk Prevention and Dispute Resolution for Listed Companies under the new *Company Law* organized by China Association for Public Companies and Shenzhen Court of International Arbitration, mainly focusing on the key amendments of the new *Company Law*, the key points of risk prevention of listed companies and the dispute mitigation mechanism of listed companies.
- (2) I participated in the continuous supervision training organized by CITIC Securities, the sponsor, mainly focusing on five parts, namely: continuous supervision rules, corporate standard operation, information disclosure, insider trading, and code of conduct for directors, supervisors and senior management.
- (3) I participated in the Capacity Building Training for Independent Directors (Phase II) organized by China Association for Public Companies to gain an in-depth understanding of the revision of the Company Law, the obligations and responsibilities of directors, supervisors and senior managements, and the key points of the duties of independent directors of listed companies and case interpretations.

(III) On-site office situation

In order to establish a sound on-site office mechanism for independent Directors, Bank of Qingdao has set up a special office for independent Directors. In 2024, I actively came to the Bank for on-site office work and spent approximately 17 days in the Bank's office. In addition to coming to the Bank to participate in surveys, research and training, I also held in-depth discussions with multiple departments including the Legal Compliance Department, the Strategy Department, and the Office of the Board of Directors of Bank of Qingdao, to fully understand the recent operational and management situation of the Bank. As the former chairman of the Audit Committee under the Board of Directors, I diligently fulfilled my relevant responsibilities. I held special meetings with the heads of the external auditors, received their main work reports, grasped the specific situation of the Bank's internal and external audits, and made suggestions and recommendations on how to improve the relevant work.

(IV) Communication with internal auditors and accounting firms

In 2024, I actively communicated with the Bank's Audit Department and the accounting firms and conscientiously fulfilled my relevant duties by conducting regular inspections of the internal audit work of the Bank's Audit Department in the light of the actual situation of the

Bank, supervising the establishment of the internal control mechanism of the Bank and its implementation, communicating with the accounting firms on the arrangement of the external audit work and the progress of the key work, and actively promoting the role of the Audit Department and the accounting firms in the daily and annual audits of the Bank to safeguard the interests of all Shareholders of the Bank.

(V) Work of the special meeting of independent Directors

On 21 March 2024, the Bank held the first meeting of the independent Directors' special meeting of the 8th session of the Board, and considered and approved the *Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024*.

(VI) Issuance of independent opinions

In 2024, I focused on the lawfulness and fairness of major related party transactions, the profit distribution plan, and issued independent opinions pursuant to the requirements of *Articles of Association* of the Bank. The details are as follows:

No.	Time	Name of Meeting	Name of Independent Opinion
1	5 January 2024	42nd meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Tsingtao Brewery Co., Ltd.
2	31 January 2024	43rd meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Consumer Finance Co., Ltd. Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Finance Co., Ltd. Independent Opinion 3: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS New Material Technology Joint-stock Limited Company Independent Opinion 4: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao HBIS Composite New Material Technology Co., Ltd.
3	26 March 2024	44th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
4	28 March 2024	45th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the <i>Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 2: Independent Opinion on the Engagement of External Auditors of Bank of Qingdao Co., Ltd. for 2024 and their Remuneration Independent Opinion 3: Independent Opinion on the Resolution on Appropriation of Staff Bonus and the Distribution of Performance Bonus of Senior Management at Bank Level of Bank of Qingdao Co., Ltd. for 2023 Independent Opinion 4: Independent Opinion on the List of Candidates for Directors of the Ninth Session of the Board of Directors of Bank of Qingdao Co., Ltd. Independent Opinion 6: Independent Opinion on the <i>Internal Control Evaluation Report of Bank of Qingdao Co., Ltd. for 2023</i> Independent Opinion 7: Independent Opinion on the External Guarantees and Funds Occupied by Related Parties of Bank of Qingdao Co., Ltd. Independent Opinion 8: Independent Opinion on the Derivatives Investment and Risk Control of Bank of Qingdao Co., Ltd.
5	29 April 2024	46th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Qingdao Doublestar Co., Ltd.
6	14 May 2024	47th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Resolution on the Optimization of the Employee Grading System and Compensation System of Bank of Qingdao Co., Ltd.

No.	Time	Name of Meeting	Name of Independent Opinion
7	25 June 2024	48th meeting of the 8th session of the Board of Directors	Independent Opinion 1: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and BQD Financial Leasing Company Limited Independent Opinion 2: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.
8	14 July 2024	49th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haitian (BVI) International Investment Development Limited
9	31 July 2024	50th meeting of the 8th session of the Board of Directors	Independent Opinion: Independent Opinion on the Related Party Transactions between Bank of Qingdao Co., Ltd. and Haier Financial Factoring (Chongqing) Co., Ltd.

(VII) Others

In 2024, I neither proposed to hold an extraordinary general meeting nor to convene a Board meeting, appoint or dismiss the accounting firm, or engage an external auditor and consulting institution independently.

III. WORK ON PROTECTING INVESTORS' INTERESTS

1. I have effectively fulfilled my duties as an independent Director by actively participating in the meetings of the Board of Directors, the general meeting and the special committees meetings of the Board of Directors, seriously studying the various resolutions, verifying the actual situation, making use of my professional knowledge to make fair judgement on the matters contained in the resolutions and exercising my voting rights independently, objectively and prudently, thereby effectively safeguarding the legitimate rights and interests of the Bank and all the Shareholders, in particular the rights and interests of the small and medium-sized Shareholders.
2. I proactively studied and mastered the laws and regulations issued by the China Securities Regulatory Commission (CSRC), the Shenzhen Stock Exchange (SZSE) and the National Financial Regulatory Administration (NFRA) and other organizations as well as the relevant systems and regulations, to deepen my knowledge and understanding of the rules and regulations and corporate governance, and to continuously enhance my awareness to protect the rights and interests of the Bank and the public investors and duty performance ability.

3. I continued to pay attention to the Bank's information disclosure work and urged the Bank to strictly comply with the requirements of the laws and regulations such as *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, *Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operation of the Companies Listed on the Main Board*, as well as the Bank's *Information Disclosure Management System*, so as to ensure that the disclosure of the Bank's information is truthful, accurate, timely and complete.
4. I maintained open communication with small and medium-sized investors, understood their demands and actively protected their rights and interests.

IV. OVERALL EVALUATION

In 2024, as an independent non-executive Director of Bank of Qingdao, I performed my duties conscientiously and diligently, insisted on fulfilling my duties and expressing independent opinions in accordance with relevant laws, regulations, normative documents and the requirements of the *Articles of Association* and other systems of the Bank, maintained efficient communication with the senior management, paid close attention to the development of the Bank, and was not under the influence of the major Shareholders or other entities and individuals with interests in the Bank, and fully performed my role as an independent non-executive Director. In respect of my duty of loyalty, I actively safeguarded the overall interests of the Bank, have not accepted any improper benefits in the course of discharging my duties, have not made use of my position and power in the Bank to seek personal gains, didn't divulge the Bank's commercial secrets without authorisation, didn't make use of my affiliation to undermine the interests of the Bank, didn't have any conflict of interest between my own duties and part-time work and my duties as an independent non-executive Director of the Bank, and truthfully informed the Bank of the relevant circumstances. Bank of Qingdao has actively absorbed the opinions and suggestions put forward by me in the course of performing my duties and took forward the implementation in depth, so as to achieve steady and far-reaching development on the road of high-quality development.

This report is hereby given.

Independent Non-Executive Director: Fang Qiaoling

EVALUATION REPORT OF THE MAJOR SHAREHOLDERS OF BANK OF QINGDAO CO., LTD. FOR 2024

To Shareholders:

In accordance with the *Regulatory Measures for the Behavior of Major Shareholders of Banking and Insurance Institutions (for Trial Implementation)* (hereinafter referred to as the “*Regulatory Measures for Major Shareholders*”) and in order to continuously improve the equity management of the Bank, the Bank conducted evaluation on relevant conditions of major Shareholders of the Bank for 2024. The conditions of the evaluation are as follows:

I. EVALUATION TARGETS

According to Article 3 of the *Regulatory Measures for Major Shareholders*, major shareholders of commercial banks refer to shareholders meeting one of the following conditions:

Holding more than 15% of equity interests in large state-owned commercial banks, national joint-stock commercial banks, foreign-funded corporate banks, privately owned banks, insurance institutions, financial asset management companies, financial leasing companies, consumer financial companies, automobile financial companies and other institutions; holding more than 10% of equity interests in city commercial banks, rural commercial banks and other institutions; actually holding the most equity interests in banking and insurance institutions with a shareholding proportion of no less than 5% (including shareholders holding the same number of shares); nominating more than two directors; having controlling influence over the operation and management of banking and insurance institutions in the opinions of the board of directors of the banking and insurance institutions; and other circumstances recognized by the National Financial Regulatory Administration (hereinafter referred to as the “NFRA”) or its dispatched offices. The shareholding proportions of Shareholders and their related parties and persons acting in concert shall be calculated on an aggregated basis. If the total shareholding proportion meets the above requirements, the relevant Shareholders shall be considered as major Shareholders.

According to such provisions and as of the end of 2024, the Bank had three major Shareholders, each with a shareholding of more than 10%, and the three major Shareholders were Haier Group Corporation (hereinafter referred to as the “Haier Group”), Intesa Sanpaolo S.p.A. (hereinafter referred to as the “ISP”) and Qingdao Conson Development (Group) Co., Ltd. (hereinafter referred to as the “Conson Group”).

II. EVALUATION CONTENTS AND BASIS

(I) Evaluation contents

In accordance with the requirements of the *Regulatory Measures for Major Shareholders* and with reference to the *Interim Measures for the Equity Management of Commercial Banks*, the *Measures on Administrative Licensing Items on Chinese-Funded Commercial Banks*, the *Notice on Further Strengthening the Management of Shareholders’ Commitments of Banking*

and Insurance Institutions, the Notice on Strengthening the Review of Qualifications of Major Shareholders of Small and Medium-sized Commercial Banks and the Articles of Association of the Bank, the Bank carried out evaluation on the shareholders' qualification, financial conditions, equity interests held, related party transactions, the exercise of shareholders' rights, the performance of obligations and undertakings, the implementation of the Articles of Association of the Bank and the terms of agreements, the compliance with laws, regulations and regulatory rules of major Shareholders in 2024.

(II) Evaluation basis

The Bank carried out evaluations on major Shareholders based on the following information:

1. The self-evaluation form filled by major Shareholders;
2. The financial information provided by major Shareholders;
3. The letters of undertaking and the statements signed by major Shareholders;
4. The attendance of major Shareholders at the general meetings;
5. The performance of duties by Directors dispatched by major Shareholders;
6. The list of related parties submitted by major Shareholders with undertakings on their truthfulness, accuracy and completeness;
7. Related party transactions carried out between major Shareholders and their related parties with the Bank;
8. Public information on the National Enterprise Credit Information Publicity System, the China Enforcement Information Disclosure Website and the official websites of the CSRC and the NFRA.

III. APPRAISAL RESULTS

(I) Shareholders' qualifications and financial conditions

1. Haier Group and Conson Group

Established on 24 March 1980, Haier Group with unified social credit code 91370200163562681G and Zhou Yunjie as its legal representative, has a registered capital of RMB311.18 million. Established on 17 July 2008, Conson Group, with unified social credit code 913702006752895001 and Liu Luqiang as its legal representative, has a registered capital of RMB3 billion.

The two companies have the capacity of legal persons; have a good corporate governance structure and an effective organizational management method; have a good social reputation, integrity record and tax payment record, and are able to repay the principal and interest of the loans to financial institutions in full and on time; have a long development period and stable operating conditions; have a strong operation and management capabilities and financial strength; have a good financial status; and have continuously remained profitable from 2021 to 2023 and the first nine months of 2024. As at the end of September 2024, the net assets after the allocation at the end of the year accounted for over 30% of their total assets on the basis of consolidated financial statements; and the balance of equity investments accounted for no more than 50% of their net assets on the basis of consolidated financial statements.¹

2. *ISP*

ISP was established on 5 January 2007 (through merger of UniCredit SpA (意大利聯合銀行) and Sanpaolo Imi S.p.A. (意大利聖保羅意米銀行)), with commercial register No.00799960158, Gian Maria GROS-PIETRO as its legal representative and a registered capital of EUR10,369 million.

ISP has an outstanding credit rating for a long term with the Moody's rating of Baa1 from 2023 to 2024. It has a good financial status and has continuously remained profitable from 2022 to 2023 and the first nine months of 2024. Its capital adequacy ratio as at the end of 2023 and the end of September 2024 reached the average level in the banking industry in Italy and was no less than 10.5%. The ISP has a sound internal control mechanism, and the place where it was incorporated has complete financial regulation systems and the country where it was located has stable economy.

None of the three major Shareholders was found to be under the following circumstances by the Bank: having evident weakness or deficiency in its corporate governance structure and mechanism; having a large number of affiliates, a complex or an insufficiently transparent equity ownership structure, and engaging in frequent or unusual related party transactions; failing to identify the core business or having a business scope covering too many industrial sectors; its cash flow fluctuations being highly susceptible to economic climate; having a liability-asset ratio or financial leverage ratio higher than the industry average level; or holding equity interest in the Bank on behalf of others.

¹ For the time being, this report assesses the shareholders' qualifications of the major Shareholders based on the financial reporting period set out in the text. After the major Shareholder has subsequently completed the preparation of the financial statements at the end of 2024 and provided them to the Bank, the assessment of the shareholders' qualifications of the major Shareholders will be conducted by the secretarial organization of the Board of Directors of the Bank on the basis of the financial data at the end of 2024.

(II) Equity interests held

As of the end of 2024, the shareholding conditions of major Shareholders of the Bank are as follows:

No.	Name of Shareholders	Number of shares held (share)	Shareholding proportion
1	Haier Group	1,055,878,943	18.14%
	Qingdao Haier Industrial Development Co., Ltd.	532,601,341	9.15%
	Qingdao Haier Air-Conditioner Electronics Co., Ltd.	284,299,613	4.88%
	Haier Smart Home Co., Ltd.	188,886,626	3.25%
	COSMOplat Mould (Qingdao) Co., Ltd.	22,420,672	0.39%
	Qingdao Haier Tooling Development Co., Ltd.	16,305,943	0.28%
	Qingdao Manniq Intelligent Technology Co., Ltd. (青島曼尼科智能科技有限公司)	7,745,322	0.13%
	Qingdao Haier Air-Conditioner Co., Ltd.	2,412,951	0.04%
	Qingdao Haier Special Refrigerator Co., Ltd.	1,206,475	0.02%
2	ISP	1,018,562,076	17.50%
3	Conson Group	872,471,173	14.99%
	Qingdao Conson Industry-Finance Holdings (Group) Co., Ltd.	654,623,243	11.25%
	Qingdao Conson Financial Holdings Co., Ltd.	217,847,280	3.74%
	Qingdao Guoxin Capital Investment Co., Ltd. (青島國信資本投資有限公司)	650	0.00001%

Major Shareholders of the Bank have remained stable over the years since their investment and there were no frequent changes in shareholdings or reductions in shareholdings of the Bank. Major Shareholders supported the Bank in establishing a healthy and stable shareholding structure with mutual checks and balances, and did not hinder other shareholders from acquiring shares. The acquisition of the above equity interests by major Shareholders of the Bank has been approved by and filed with regulatory authorities as required. There was no direct or indirect cross-shareholding with the Bank or the transfer of equity interests in violation of regulations. There was no situation where they entrusted others or being entrusted to hold the shares of the Bank. There was no equity pledge and the equity interests held were not subject to lawsuits, arbitrations or compulsory measures imposed by judiciary authorities.

(III) Related party transactions

The related party transactions between the Bank and major Shareholders were carried out in compliance with laws and regulations with fair pricing, and the concentration of related party transactions complied with regulatory requirements. As of the end of 2024, the related party transactions between the Bank and major Shareholders were as follows:

1. Haier Group and its related parties: the net amount of the credit transactions was RMB2.212 billion (4.19% of net capital of the Bank), the balance of the deposit transactions was RMB60 million, and there were no other non-credit related party transactions;
2. ISP and its related parties: there was no balance of credit-related transactions, there was no balance of deposit transactions, and the actual amount of other non-credit transactions was RMB1 million;
3. Conson Group and its related parties: the net amount of credit-related transactions was RMB559 million (1.06% of net capital of the Bank), the balance of deposit transactions was RMB246 million, and the actual amount of other non-credit transactions was RMB5 million.

The related party transactions between the Bank and major Shareholders were normal businesses within the scope of business of commercial banks and the credit quality of the related party transactions was above the average level across the Bank. The Bank performed review, approval, reporting, filing disclosing information and other relevant procedures on the related party transactions with major Shareholders in accordance with relevant laws and regulations as well as the unified provisions of the systems of the Bank. There was no situation where major Shareholders are found to conduct related party transactions with the Bank through improper manners or seek improper benefits by leveraging on their influence on the Bank.

(IV) Exercise of Shareholders' rights and performance of responsibilities, obligations and undertakings

Major shareholders of the Bank were able to properly exercise shareholders' rights and practically perform responsibilities and obligations. The Bank and major shareholders were independent of each other in terms of business, organization, personnel, finance and assets. The Bank has an independent and complete business system and autonomous operational capability, and it was not aware of any unauthorized occupation of the Bank's funds by major Shareholders and its related parties. Major Shareholders prudently exercised the right to nominate Directors of the Bank and did not dispatch senior management to the Bank. Major Shareholders participated in major decision-making by the Bank through attending the general meetings and the Directors dispatched to the Board of Directors of the Bank and carried out businesses based on the authorisation plans of the general meetings, the Board of Directors and the senior management. No major Shareholders were found to interfere in the operation and

management of the Bank in violation of regulations or beyond their authorities. Major Shareholders cooperated in reporting their operation conditions, financial information and shareholding structures and performed the information reporting obligation in a timely manner. The Bank was not aware of any situation in which a major shareholder has used its influence to jeopardize the legitimate interests of the Bank and other stakeholders.

No major Shareholders were found to violate their undertakings. Major Shareholders of the Bank carefully implemented the requirements of notices issued by regulatory authorities, signed the letters of undertaking of major Shareholders and the statements of major Shareholders based on the content templates issued by regulatory authorities without arbitrarily deleting undertakings or modifying the contents of the templates. For the performance of undertakings in the statement category, all major Shareholders contributed with their own funds without holding shares in the Bank through financial products or providing inaccurate or incomplete information. For the performance of undertakings in the compliance category, no major Shareholders interfered with the daily operation of the Bank, imposed improper indicator pressures on the Bank, interfered in the decision-making and operation of the Board of Directors and senior management of the Bank or sought improper benefits. They were not involved in circumstances damaging the legitimate rights and interests of depositors, the Bank and other stakeholders. For the performance of statements on due diligence, major Shareholders maintained sound operation and capital conditions and committed to continuously supplement capitals to the Bank.

(V) Implementation of the Articles of Association of the Bank and terms of agreements

Major Shareholders of the Bank were able to earnestly implement the Articles of Association and the terms of agreements of the Bank. Major Shareholders reported the information on their related parties and other joint-stock Chinese-funded commercial banks to the Bank in a timely manner in accordance with regulatory rules. They were not involved in damaging the benefits of the creditors of the Bank, seeking improper benefits or interfering in the decision-making and operation of the Board of Directors and senior management of the Bank under the Articles of Association. Major Shareholders performed the contribution obligation in strict compliance with laws and regulations, supporting the Board of Directors of the Bank in formulating reasonable capital plans. The agreements entered into between major Shareholders and their related companies with the Bank are business contracts and relevant companies were able to perform the provisions in the contracts.

(VI) Compliance with laws, regulations and regulatory rules

Major Shareholders of the Bank were able to abide by laws, regulations and regulatory rules. Major Shareholders did not hold shares in the Bank through the issuance, management or controlling of financial products in other manners. They were able to explain their shareholding structure to their actual controllers and ultimate beneficiaries level by level as well as their related relationship or acting in concert with other Shareholders. The number of commercial banks invested and controlled by major Shareholders and their related parties and

parties acting in concert as their major shareholders was no more than 2 and 1, respectively, which effectively prevented the conflicts of interest with the Bank in respect of application and shareholding behavior, governance practices, equity pledges and related party transactions.

No major Shareholders were found to be involved in the following circumstances: being listed as a joint subject of punishment for dishonesty by relevant authorities; having serious evasion of bank debts; providing false materials or making false statements; being materially responsible for a commercial bank's operational failure or major violations of laws and regulations; refusing or preventing the NFRA or its dispatched offices from performing supervision according to laws; being subject to investigation and punishment by financial regulatory authorities or relevant government departments due to violation of laws and regulations, resulting in adverse impact; and other circumstances that may adversely affect the operation and management of the Bank.

This report is hereby given.

NOTICE OF 2024 ANNUAL GENERAL MEETING

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BQD 青岛银行
Bank of Qingdao Co., Ltd.*
青島銀行股份有限公司*

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

(H Shares Stock Code: 3866)

NOTICE OF 2024 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 annual general meeting (the “**2024 AGM**”) of Bank of Qingdao Co., Ltd. (the “**Bank**”) will be held at No. 6 Qinling Road, Laoshan District, Qingdao, Shandong Province, the People's Republic of China (the “**PRC**”), at 9:00 a.m. on Wednesday, 28 May 2025 for the purposes of considering and, if thought fit, passing the following resolutions:

MATTERS TO BE CONSIDERED

Ordinary Resolutions

1. Work Report of the Board of Directors of Bank of Qingdao Co., Ltd. for 2024
2. Work Report of the Board of Supervisors of Bank of Qingdao Co., Ltd. for 2024
3. Report for Final Financial Accounts of Bank of Qingdao Co., Ltd. for 2024
4. Profit Distribution Plan of Bank of Qingdao Co., Ltd. for 2024
5. Resolution on the Selection and Engagement of Accounting Firms of Bank of Qingdao Co., Ltd. for 2025
6. Resolution on the Estimated Amount of the Ordinary Related Party Transactions of Bank of Qingdao Co., Ltd. for 2025
7. Special Report on Related Party Transactions of Bank of Qingdao Co., Ltd. for 2024
8. Resolution on the Shareholders' Return Plan for 2024-2026 of Bank of Qingdao Co., Ltd.

NOTICE OF 2024 ANNUAL GENERAL MEETING

Special Resolutions

9. Resolution on the General Mandate for the Issue of Shares by Bank of Qingdao Co., Ltd.
10. Resolution on the Issuance of Financial Bonds of Bank of Qingdao Co., Ltd.
11. Resolution on the Proposed Issuance Quota of Capital Replenishment Instruments of Bank of Qingdao Co., Ltd.

MATTERS TO BE REPORTED

1. Evaluation Report on the Performance of Duties by the Board of Directors and Directors of Bank of Qingdao Co., Ltd. for 2024
2. Evaluation Report on the Performance of Duties by the Supervisors of Bank of Qingdao Co., Ltd. for 2024
3. Evaluation Report on Performance of Duties of the Senior Management and Senior Executives of Bank of Qingdao Co., Ltd. for 2024
4. Performance Report of the Independent Non-executive Directors of Bank of Qingdao Co., Ltd. for 2024
5. Evaluation Report of the Major Shareholders of Qingdao Co., Ltd. for 2024

By order of the Board
Bank of Qingdao Co., Ltd.*
Jing Zailun
Chairman

Qingdao, Shandong Province, the PRC
8 May 2025

As at the date of this notice, the board of directors of the Bank comprises Mr. Jing Zailun, Mr. Wu Xianming, Ms. Chen Shuang and Mr. Liu Peng as executive directors; Mr. Zhou Yunjie, Mr. Rosario Strano, Ms. Tan Lixia, Mr. Giamberto Giraldo and Mr. Deng Youcheng as non-executive directors; Mr. Xing Lecheng, Mr. Zhang Xu, Mr. Cheung Man Chor, Elton, Mr. Du Ning and Mr. Fan Xuejun as independent non-executive directors.

* Bank of Qingdao Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry out banking and/or deposit-taking business in Hong Kong.

NOTICE OF 2024 ANNUAL GENERAL MEETING

Notes:

1. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all resolutions proposed at the meeting shall be voted by poll, except for those purely related to procedural or administrative matters to be voted by a show of hands as permitted by the chairman. Results of the poll voting will be published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Bank (www.qdccb.com) as required by the Listing Rules.

2. **Closure of register of members and eligibility for attending and voting at the 2024 AGM**

H shareholders of the Bank are advised that the share register will be closed from Thursday, 22 May 2025, to Wednesday, 28 May 2025 (both days inclusive). To be eligible for attending and voting at the 2024 AGM, the transfer documents together with relevant share certificates and other appropriate documents must be deposited at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, 21 May 2025. Shareholders whose names appear on the register of members of the Bank on Thursday, 22 May 2025 are entitled to attend and vote at the 2024 AGM. Pursuant to the requirement of the articles of association of the Bank, where a shareholder pledges 50% or more of his/her equity interests in the Bank, the voting rights of such shareholder at the 2024 AGM shall be subject to restrictions.

3. **Arrangement on dividend distribution**

The board of directors of the Bank has recommended the distribution of a cash dividend of RMB1.60 (inclusive of tax) per 10 shares for the year ended 31 December 2024. Subject to approval of the proposal at the 2024 AGM, the dividend will be paid to A shareholders and H shareholders whose names appear on the register of members of the Bank at the close of business on the respective record dates. The proposed dividends payable are denominated in Renminbi, and will be paid to A shareholders in Renminbi and H Shareholders in Hong Kong dollars. Calculation of the exchange rate for dividends payable in Hong Kong dollars will be based on the average of central parity rates of Renminbi of the interbank foreign exchange market as announced by the People’s Bank of China for the five working days preceding the date of declaration of the dividend at the 2024 AGM (including the day the 2024 AGM to be held).

4. **Closure of register of members and eligibility for final dividend distribution**

The H share register of the Bank will be closed from Tuesday, 3 June 2025, to Saturday, 7 June 2025 (both days inclusive). In order to be entitled to the final dividend distribution for the year 2024, the H shareholders of the Bank who have not registered are required to deposit the transfer documents together with relevant share certificates at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 2 June 2025. Shareholders whose names appear on the register of members of the Bank on Saturday, 7 June 2025 are entitled to the final dividend distribution for the year 2024.

5. **Proxy**

Any shareholder entitled to attend and vote at the 2024 AGM is entitled to appoint one or more persons (whether such person is a shareholder of the Bank or not) as his/her proxy or proxies to attend and vote on his/her behalf at the 2024 AGM. As far as all joint shareholders of any shares are concerned, only the joint shareholder whose name appears first in the register of members has the right to receive the share certificate of the relevant shares from the Bank, to receive notices of the Bank and any notice served on such a shareholder shall be treated as having been served on all the other joint shareholders of those shares. In the case of joint shareholders, any one shareholder may sign the proxy form(s). The vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint shareholding.

NOTICE OF 2024 ANNUAL GENERAL MEETING

The appointment of a proxy must be in writing with a form under the hand of the appointer or his/her attorney duly authorised in writing. For a corporate appointer, the proxy form must be affixed with the common seal or signed by its director or attorney duly authorised in writing. To be valid, the instrument appointing a proxy together with the power of attorney or other authorisation document (if any) or a notarially certified copy of that power of attorney or other authorisation document must be completed and returned to the Bank's H share registrar (for H shareholder(s)) or the Bank's PRC registered office and principal place of business (for A shareholder(s)) not less than 24 hours before the designated time for the convening of the 2024 AGM or any adjournment thereof. Completion and return of the form(s) of proxy will not preclude shareholders from attending and voting in person at the 2024 AGM or at any adjournment if he/she so wishes.

6. Others

- (1) The 2024 AGM is estimated to last no longer than a working day. Shareholders who attend the meeting in person or by proxy shall bear their own traveling and accommodation expenses.
- (2) Address of Computershare Hong Kong Investor Services Limited:

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990

Address of the PRC registered office and principal place of business of the Bank:

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Tel: +86 40066 96588 ext 6
Fax: +86 (532) 8578 3866