

CITIC Securities Sustainability Report 2024

中信證券2024年可持續發展報告



中信证券
CITIC SECURITIES

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About This Report

Introduction

This report details the activities undertaken by CITIC Securities Co., Ltd. (“the Company”, “CITIC Securities” or “we”) in actively fulfilling its economic, social and environmental responsibilities, along with its performance in these areas in 2024.

Reporting Scope

Unless otherwise stated, the entities covered in this report include the Company's principal wholly-owned subsidiaries and principal holding subsidiaries, including the sustainability performance of CITIC Securities, CITIC Securities Shandong Co. (“CITIC Securities Shandong”), CITIC Securities International Co., Ltd. (“CITIC Securities International”), CITIC Goldstone Investment Co., Ltd. (“CITIC Goldstone”), CITIC Securities Investment Co., Ltd. (“CITIC Securities Investment”), CITIC Futures Co., Ltd. (“CITIC Futures”), CITIC Securities South China Co., Ltd. (“CITIC Securities South China”), CITIC Securities AM Co., Ltd. (“CITIC Securities AM”) and China Asset Management Co., Ltd. (“ChinaAMC”).

This is an annual report. Unless otherwise specified, the period covered is from January 1 to December 31, 2024, though some data covers an extended period for better presentation.

Reporting Guidelines

This report is prepared in accordance with the Self-discipline Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operation (hereinafter referred to as “Self-discipline Regulatory Guidelines No. 1”) issued by the Shanghai Stock Exchange (hereinafter referred to as “SSE”), the Environmental, Social and Governance Reporting Code (hereinafter referred to as “ESG Reporting Code”), issued by the Hong Kong Stock Exchange Limited (hereinafter referred to as “HKEx”), and the Guidelines for Environmental Information Disclosure of Financial Institutions in Shenzhen, issued by the Shenzhen Local Financial Supervision Administration, and partially refers to the “Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) ”.

Reporting Principles

The report has been prepared in accordance with the principles of “materiality”, “quantitative”, “balance” and “consistency”.

Materiality: We follow the ESG Reporting Code and the “Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) ”. to conduct materiality assessment with a process including: (i) identifying relevant material issues; (ii) assessing materiality of issues; (iii) the Board of Directors reviewing and confirming the assessment process and result. We report ESG matters based on the result of the materiality assessment. For details of the materiality assessment, please refer to the section “Materiality Analysis” below.

Quantitative: This report follows the ESG Reporting Code, refers to applicable quantitative standards and practices, and adopts quantitative methods to measure and disclose applicable key performance indicators and set environmental objectives including actual figures and directional statements. The metrology standards, methods and assumptions or calculation tools and the sources of conversion factors used of the key performance indicators in this report are described in the corresponding sections (if applicable), and the relevant environmental targets are disclosed in the section “Addressing Climate Change”.

Balance: This report objectively discloses both positive and negative information to ensure an unbiased picture of the Company's ESG performance during the reporting period.

Consistency: This year, the preparation of the Social Responsibility Report is consistent as usual. Changes, if any, that may affect meaningful comparison with previous reports, have been explained in the corresponding sections.

Reporting Release

All data in this Report are from CITIC Securities, relevant statistical reports and other official documents. The Company has engaged KPMG Huazhen LLP to conduct limited assurance procedures on the key environmental data in “Sustainability Performance, 1.Key Environmental Performance Indicators” of this Report in accordance with the International Standard on Assurance Engagements -Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE) 3000 (Revised). The currency involved in this Report is presented in Renminbi (“RMB”).

Data

This Report is available in PDF on:

The website of SSE: <http://www.sse.com.cn>

HKEx News (<http://www.hkexnews.hk>)

The Company’s website (<http://www.citics.com>)

Statement of the Board of Directors

The Board of Directors of CITIC Securities has continued to drive improvements in the Company’s management systems for environmental, social and corporate governance (hereinafter referred to as “ESG”) and strengthen its supervision of, and its participation in, the Company’s ESG matters, in accordance with the requirements of the Environmental, Social and Governance Reporting Code issued by the Hong Kong Stock Exchange Limited (hereinafter referred to as “HKEx”) and the "Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)".

The Board of Directors confirms that this Report includes detailed disclosures of the Company’s key progress and achievements in ESG during the reporting period and undertakes that this Report is free from false information, misleading statements and material omissions. The Board of Directors makes the following statement in relation to its supervision and management of ESG matters:

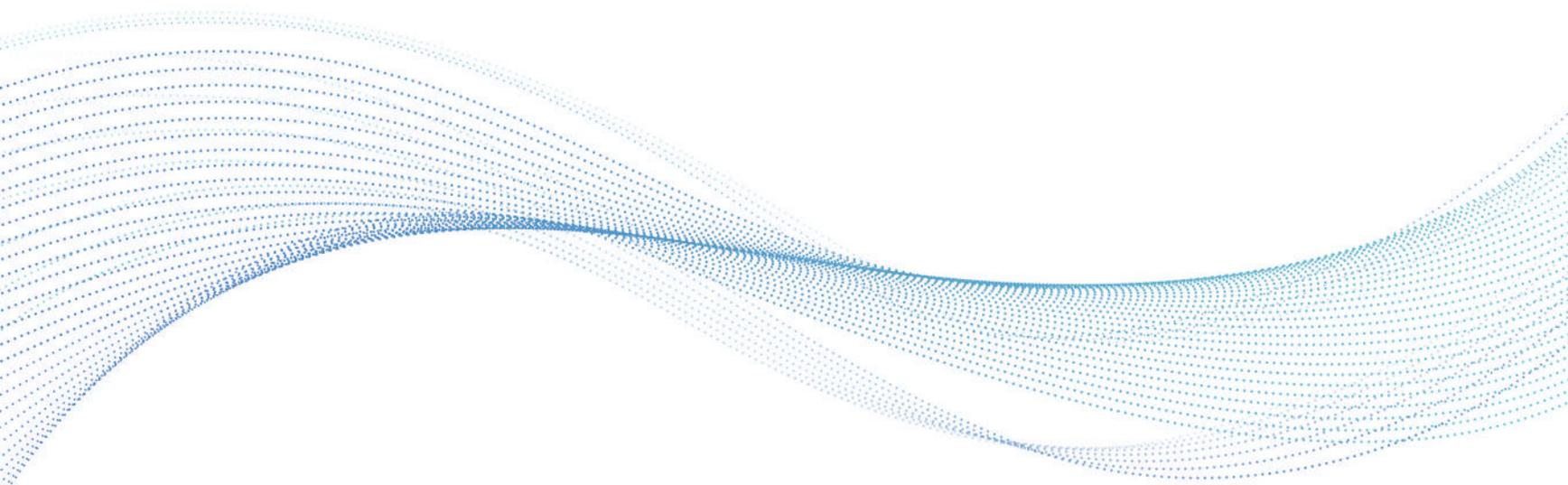
Role of the Board of Directors

CITIC Securities has established a solid ESG governance structure. The Development Strategy and ESG Committee, which reports to the Board of Directors, oversees the company's ESG management. The Committee is responsible for regularly reviewing the Company's ESG policies and strategies, receiving briefings on ESG-related work, and implementing relevant resolutions of the Board of Directors. The Committee's remit includes evaluating, prioritising and managing key ESG topics, as well as monitoring how the Company's key ESG targets are set and achieved.

Management Policies

CITIC Securities identifies and analyses the Company’s ESG opportunities and risks based on actual circumstances arising in its operations and management, its reform and development needs, and the focus of stakeholders. It improves ESG-related strategies, policies and systems on an ongoing basis. The Company attaches importance to all potential significant impacts that ESG issues could have on its operations and development, strives to steadily strengthen communication with stakeholders, and regularly analyses the materiality of ESG issues that are of interest to stakeholders in order to better respond to their expectations.

In line with its ESG management objectives, CITIC Securities takes solid actions to improve its management efficiency in ESG; plays an active role as a bridge between the real economy and the capital market; and helps promote high-level communication among technology companies, investors and participants in the real economy. CITIC Securities is committed to channelling financial resources into businesses engaged in key areas and providing financial support for the high-quality development of the real economy. As part of its commitment to sustainability, the Company promotes the integrated development of green finance, carries out in-depth research on ESG, and contributes to the growth of the carbon market and innovation of its products and services. The Company strives to actively align itself with the rural revitalization strategy, take vigorous actions to promote the public good and encourage employees to volunteer, and promote prosperity for all.



About Our Company

Company Profile

Founded in October 1995, CITIC Securities Company Limited was listed and traded on the Shanghai Stock Exchange in 2003 and on the Hong Kong Stock Exchange in 2011. It was the first A+H share listed securities firm in China, with China CITIC Financial Holdings Co., Ltd as its largest shareholder. With the mission of helping enhance capital market functions and facilitate high-quality economic development, the Company strives to become a leading domestic and internationally renowned Chinese investment bank most trusted by clients around the world.

The business of CITIC Securities covers a wide range of fields, including securities, fund, futures, foreign exchange, and bulk commodities. Through its fully licensed integrated financial services, CITIC Securities supports the development of the real economy in an all-round way and provides various financial service solutions for domestic and foreign corporate, institutional, high-net-worth, and retail clients. It currently has independent business subsidiaries, with branches in 13 countries around the world and more than 400 branches and outlets in China. ChinaAMC, CITIC Futures, GoldStone Investment, CITIC Securities Investment, and other major subsidiaries have maintained leading positions in their respective industries.

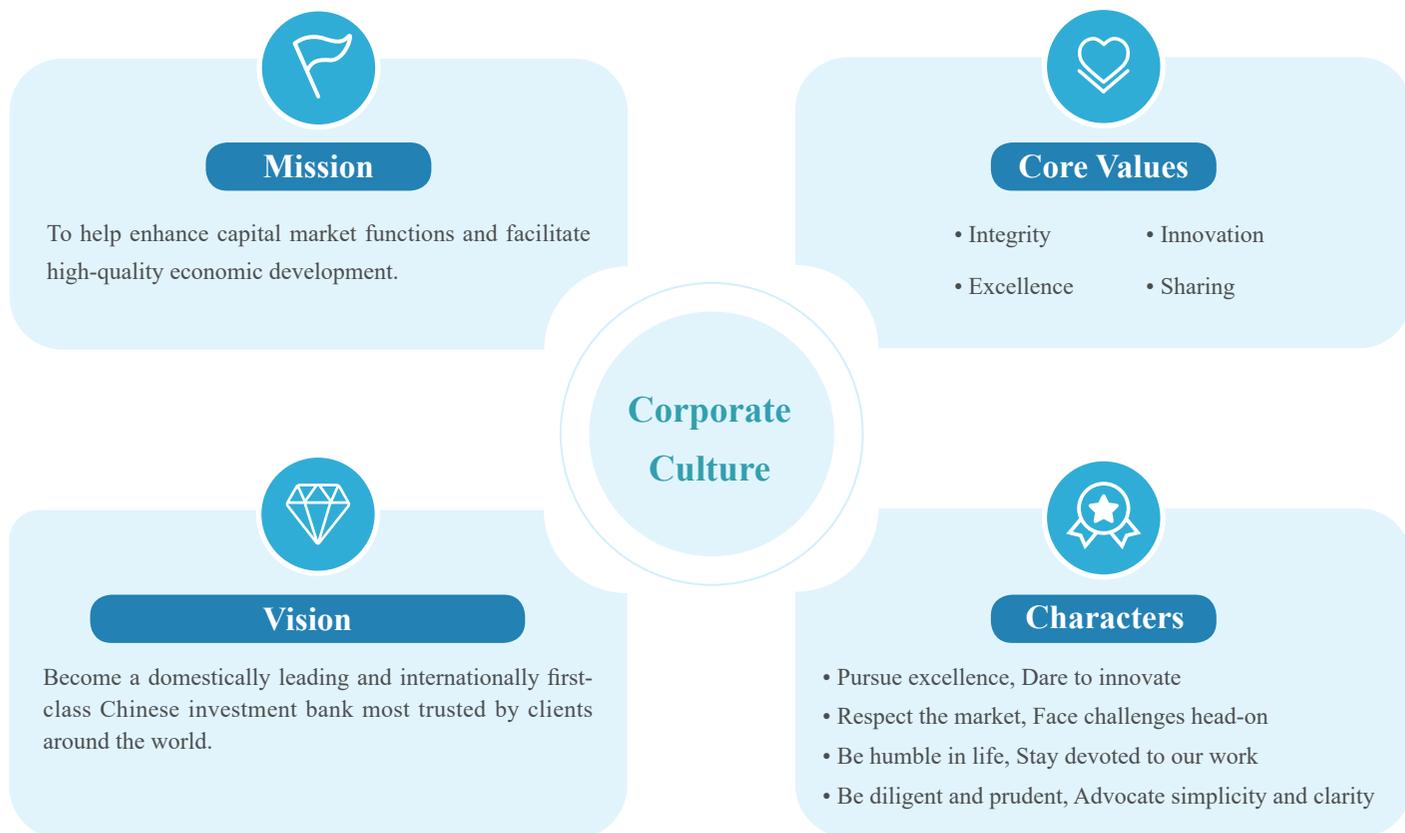
CITIC Securities holds significant scale advantages and was the first securities firm in China with assets of over RMB1 trillion. It has maintained the No. 1 ranking in the industry in major financial indicators for more than ten years in a row, and a leading position in the market across various businesses. It has accumulated extensive reputational and brand advantages in the domestic market and has won various awards from domestic and foreign institutions such as Asiamoney, Financial Times, Forbes, the Shanghai Stock Exchange, and Shenzhen Stock Exchange over the years.

Business Scope

Securities brokerage (for areas other than Shandong Province, Henan Province, Tiantai and Cangnan Counties of Zhejiang Province), securities investment consulting, financial advisory services related to securities trading and securities investment activities, securities underwriting and sponsorship, securities proprietary business, securities asset management (investment management entrusted by the National Social Security Fund within the country, securities investment management of the basic pension fund, investment management of the enterprise annuity fund, and investment management of occupational pension funds), margin financing and securities lending, securities investment fund sales agency, provision of intermediate referral services to futures companies, distribution of financial products, and stock options market making business; market making and trading of listed securities. (Items subject to approval in accordance with the law can only be carried out after approval by the relevant departments, and the specific business items are subject to the approval documents or licences of the relevant departments).

Corporate Culture

During its thirty years of development, CITIC Securities has taken on the mission of serving the country through financial services, boosted innovation, made tangible contributions, and has therefore formed a distinctive development path and corporate culture.



Honours in 2024

Recognition from Rating Agencies

MSCI ESG Rating upgraded to “AA”, achieving rating upgrade for three consecutive years

WIND ESG rating of “A”.

ESG Honours and Awards Received by the Company

Awarded by	Award Name
People’s Bank of China (PBOC)	First Prize for Financial Technology Development in 2023
China Association for Public Companies	Best Sustainability Practices of Listed Companies in 2024
China International Economics and Technology Administration Forum	A leading enterprise for its core competitiveness in comprehensive ESG governance
SRP	Best ESG Solution Award
China Securities Journal	Golden Bull ESG Award for Securities Companies in 2024
Wind	Top 100 Chinese Listed Companies for Best Practices in 2024
New Fortune	Investment Bank for Best ESG Practices
Asia Asset Management	Hong Kong Financial Technology Innovation in Asset Management Award
Cai Lian She	ESG Finance Award (2024 Clear Waters and Green Mountains Awards)
National Business Daily	2024 Jinding Awards · ESG Pioneer Award for Securities Firms
China Fund	2024 Yinghua Awards · Demonstration CSR Case of Outstanding Securities Firms
KPMG China	ESG 50· Green Finance Pioneer

2024 Key Performance

Category of performance	Key Performance	2024
Environmental	Energy consumption per square meter	0.28 MWh per square meter
	Water consumption per square meter	0.84 tonnes per square meter
	Greenhouse gases (GHG) emissions per square meter	0.15 tonnes per square meter
	The social contribution per share	RMB 5.37
Social	Total number of employees	26,781
	Employee training coverage	100%
	Average training hours	123
	Underwriting bonds scale of rural revitalization, the development of agriculture, rural areas and farmers, and the old revolutionary base area	RMB 9.733 billion
	Number of farmer households that benefited from the Insurance + Futures project	41,300
	Total amount of donations throughout the year	RMB 34.5 million
Governance	Anti-money laundering training coverage	100%
	Professional integrity training coverage	100%
	Overall customer satisfaction rate	99.4%
Economic	Total underwriting amount of Green bonds (including carbon neutrality)	RMB 51.7 billion
	Total underwriting amount of overseas ESG bonds	USD 1.399 billion

Note: social contribution value per share = earnings per share + value-added per share. Value-added per share = (taxes paid + wages paid to employees + interests on borrowings paid to creditors + external donations from the Company + securities investor protection funds + dividends - other social costs incurred due to factors such as environmental pollution) ÷ number of shares. Tax amount includes income tax, taxes and surcharges, vehicle and vessel use tax, stamp tax and house property tax according to accrual basis.

Strategy and Management

CITIC Securities takes it as its own mission to implement national strategies, serve the real economy, and promote prosperity for all. It actively promotes sustainability and fulfils its corporate social responsibilities in areas including sustainable finance, environmental friendliness, employee development, operational robustness, and giving back to society. The Company deeply implements the new development concept, takes actions to ensure that the public benefits from our development, actively responds to climate change, helps employees develop and grow, steadily promotes business development, focuses on areas key to the people's well-being, and practices the sustainability concept, to create value for customers, shareholders, employees, the public, and other stakeholders.

Sustainability Management

CITIC Securities continuously improves its sustainability management framework and has integrated the sustainability concept into all aspects of its day-to-day operations and management. The Company continues to promote the integration of the sustainable development concept into and business development to ensure the effective performance of its corporate social responsibilities. The Board of Directors is the decision-maker, the management the executor, in relation to the Company's sustainability management strategy. Departments and subsidiaries work with each other to jointly carry out and promote sustainable development.

Sustainability Model

Uphold integrity, innovation, compliant operations, and rigorous accountability, champion financial culture with Chinese characteristics, enforce robust compliance and risk controls, and ensure stable, sustainable growth



Build a diversified talent system, continuously cultivate, attract, and utilise talent, optimise training systems and performance mechanisms, care for employees' healthy lives, and construct a high-quality career development platform



Gather financial support for rural development, actively participate in social public welfare undertakings, deliver warmth and care to society, deepen mutual cooperation with partners, and promote common development within the industry



Leverage core financial competencies, harness the capital market's pivotal role in catalysing the "technology-industry-finance" virtuous cycle, propel the real economy's innovation-led advancement in quality, and underpin high-calibre socio-economic development



Expand ESG-integrated investment and financing governance, amplify green industry support, reduce our operational environmental footprint, proactively address climate change, and advance China's "Dual Carbon" strategy



Adhere to the customer-centric approach, rigorously safeguard client rights, holistically elevate the service experience, and strengthen global integrated financial service capabilities

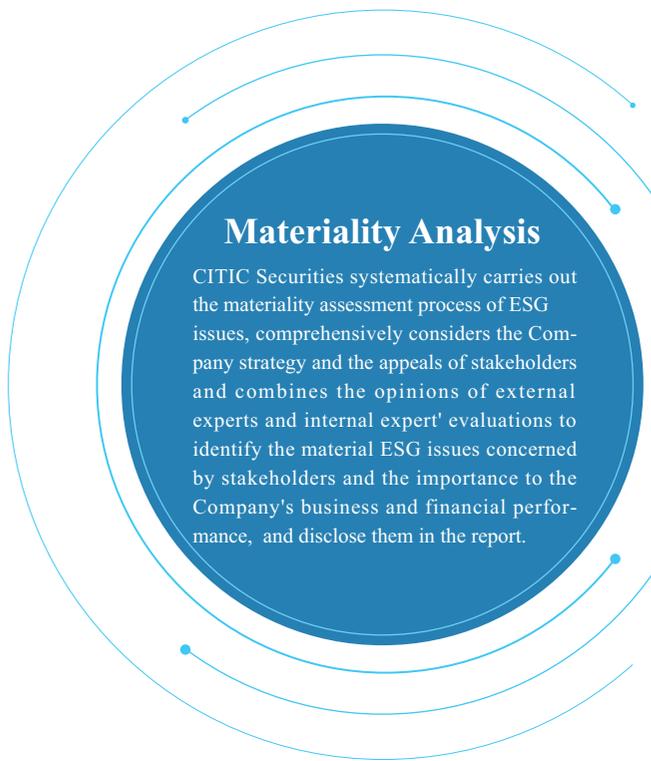


Stakeholder Engagement

CITIC Securities actively expands communication channels with stakeholders in all aspects of its daily operation and services, establishes a regular communication mechanism, and builds a harmonious and stable stakeholder relationship by fully understanding and responding to the expectations and demands of stakeholders through multi-channel and multi-form communication activities.

Key Stakeholders	Main Communication Channel	Key Issues Concerned
Customers	Customer visits Satisfaction surveys Customer complaint hotline	Product and service safety and quality Data security and customer privacy protection Serving the real economy Due diligence Investor education
Government and regulators	Major meetings Policy consultation Event reporting Institutional investigations Official document exchanges Information submissions	Integrity and compliance in operations Anti commercial bribery and anti-corruption Serving the real economy Responding to climate change Green finance Equal treatment for SMEs Data security and privacy Customer protection Investor education
Shareholders and investors	General Meeting of Shareholders Regular corporate reports Shareholder hotline E-mail The SSE Info platform Open day for investors Face-to-face communication	Corporate governance Risk management Integrity and compliance in operations Anti commercial bribery and anti-corruption Responding to climate change Responsible investment
Employees	Employee suggestion box Labour Union Employee satisfaction surveys Employee activities	Employee rights Talent attraction and retention Employees' health and safety Employee training and development
Suppliers and partners	Supplier inspections Communication meetings	Supply chain security Anti commercial bribery and anti-corruption Responding to climate change Energy use Waste disposal Pollutant emissions
Community and the Public	Public welfare activities Community interaction	Responsible investment Social contribution Industry culture Rural revitalization Innovation-driven Technology ethics Environmental compliance management

Materiality Analysis



Issue Identification

Identify potential material ESG issues by referring to HKEx ESG Code, Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial), the Environmental Information Disclosure Guidelines of Financial institutions in Shenzhen, the United Nations Sustainable Development Goals and relevant research and evaluation results of ESG both at home and abroad, and the actual operating conditions of the Company.

Issue Analysis

Actively communicate with major stakeholder to understand their views on important issues and assess the potential impact of issues on stakeholder; invite internal expert to evaluate the materiality of the issues to the company, such as the risks and opportunities of the Company, the business and financial performance of the Company and other dimensions.

Issue Evaluation

Developed an Issue Importance Assessment Matrix, taking into account the importance to stakeholders and the importance to the Company's business and financial performance, and prioritised issues in a comprehensive manner.



● Governance issue ▲ Environmental issue ■ Social issue

FEATURE
1

Focusing on The Five Major Areas to Contribute to High-quality Development

Finance is the lifeblood of a country's economy and an important part of its core competitiveness. The Third Plenary Session of the 20th CPC Central Committee established a comprehensive plan for deepening reform in the financial sector. During the Central Financial Work Conference, policymakers called on financial institutions to prioritise the Five Major Areas of finance and to provide high-quality services for economic and social development. CITIC Securities acknowledges its responsibilities and mission, and is committed to implementing the spirit of the Third Plenary Session of the 20th CPC Central Committee, the Central Financial Work Conference and the Central Economic Work Conference, deeply understands the political importance and people-oriented nature of financial work, practices the development concept of leveraging finance to serve the country and the people, and strives to do a good job in the five major areas, that include technology finance, green finance, inclusive finance, pension finance, and digital finance, to better contribute to advancing Chinese modernisation and the high-quality financial development.

Boosting the Development of Technology Finance to Help Build a Virtuous Circle

In terms of technology finance, CITIC Securities strengthened its business layout in emerging technology and other fields, leveraged its comprehensive advantages in investment banking, investment and research, improved its ability to serve technology enterprises throughout their life cycle, and formed a virtuous Technology - Industry - Finance circle. In 2024, CITIC Securities took the lead in equity underwriting and technological innovation debt underwriting on the STAR and GEM market, and a batch of high-quality scientific and technological financial service cases such as Lianying Medical, Kede CNC, and Haohua Technology emerged. At the same time, CITIC Securities completed investment in a few leading technology enterprises such as Yushu Technology through the equity investment platform, helping enterprises to promote high-quality development around new quality productive forces.

Case

As an Equity Investor, CITIC Securities Helped Unitree Robotics Establish its Leadership in Humanoid Robot Innovations

Unitree Robotics is a leading developer and producer of quadruped and humanoid robots. To do a good job in technology finance, Goldstone Investment and CITIC Securities Investment, the Company's subsidiaries, helped Unitree Robotics continue to develop technological innovation through equity investment and financial services.

Focusing on The Five Major Areas to Contribute to High-quality Development

Exploring Green Financial Innovation and Implementing Sustainable Practices

In terms of green finance, CITIC Securities actively provides innovative green finance solutions for the capital market. In 2024, the Company underwrote more than RMB 52 billion of green bonds (including carbon neutrality) and completed the first blue exchangeable bond project in the world and the first low-carbon-transformation, technological-innovation, and Belt-and Road-themed corporate bond project in China. At the same time, we actively provided comprehensive carbon finance services, implemented large-scale carbon asset repurchase transactions, and completed the first Exchange for Physicals transaction of industrial silicon. CITIC Securities continued to improve the research on and plans for green finance and ESG, as evidenced by the AA rating in ESG given by MSCI, an improvement for the third consecutive year.



CITIC Securities support Huaxin Cement Co., Ltd. completed the largest carbon asset repurchase transaction since the establishment of China's carbon market,

Case CITIC Securities' Comprehensive Carbon Trading and Carbon Finance Services

CITIC Securities was the first securities institution in China to carry out a carbon trading business. By providing one-stop comprehensive carbon finance services such as quotations for and trading of carbon emissions rights, CITIC Securities effectively helps enterprises engaged in the real economy reduce carbon emissions. In 2024, CITIC Securities completed the largest single carbon asset repurchase transaction since the establishment of China's carbon market, launched carbon repurchases in pilot carbon markets in regions including Shanghai, Tianjin and Hubei, implemented the first transaction, and continued to help China's high quality carbon market growth.

Focusing on The Five Major Areas to Contribute to High-quality Development

Adding Variety to Inclusive Finance Services and Playing the Role of Wealth Manager for the Public

In terms of inclusive finance, CITIC Securities plays the role of wealth manager for the public and is committed to adding value to their wealth. By the end of 2024, CITIC Securities' AuM exceeded RMB 4 trillion. We have implemented a rate reform for public offering products and launched the Ying Li Cai wealth management product series. At the same time, the Company actively supported small and medium-sized enterprises' financing efforts, underwrote bonds to promote rural revitalization, to support the development of agriculture, rural areas and farmers, or to modernise the old revolutionary base areas, with a financing scale of RMB 9.733 billion. and completed a number of innovative projects. CITIC Futures, a subsidiary, launched the Insurance + Futures programme to create a new ecosystem, while implementing several innovative projects.



CITIC Futures' Training Course on Financial Support for Rural revitalization in Yuanyang County

Case Adopting an Insurance + Futures Approach to Contribute to Rural Revitalization

Sugarcane has become one of the main cash crops in Yuanyang County, Yunnan Province. CITIC Futures has provided a new Insurance + Futures + Orders model for the sugar industry in Yuanyang, Yunnan, which provides comprehensive insurance against price risks in different periods and has resulted in income growth for farmers, sugar cane enterprises, and other entities in the local sugar industry chain. This is just another example of how the Company leverages inclusive finance to contribute to rural revitalization.

Focusing on The Five Major Areas to Contribute to High-quality Development

Focusing on the Needs of Pension Finance to Improve The Social Security System

In terms of pension finance, CITIC Securities fully participated in the construction of a national multi-level and multi-pillar pension security system. By the end of 2024, CITIC Securities' investments under management scale across the three pillars of pensions reached approximately RMB 850 billion, with several of its partnerships with the National Council for Social Security Fund having been rated A. Under the enterprise annuity business, the Company has provided services for more than 200 large and medium-sized corporate customers. It is now making comprehensive plans for products like pension FOFs as part of its efforts to grow its footprint in the pension industry. At the same time, the Company optimised the Xin E Tou application to serve elderly customers. ChinaAMC, a subsidiary, launched promotion activities on pension-themed products.



ChinaAMC's Pension-themed Open Mic City Tour

Case ChinaAMC's Pension-themed Open-Mic Tour Across the Country and Its Pension Fund Calculator

As a pioneer in pension management and pension target funds, and one of the first batch of pension target fund managers in China, ChinaAMC launched a flagship activity - Pension-themed Open-Mic Tour to draw the younger generations' attention to pension funds and give them an opportunity to get to know the personal pension system. In addition, ChinaAMC launched the ChinaAMC Pension Calculator to help the public understand the amount of savings they may need to support them in retirement, and develop their own investment plan based on the expected rate of return.

Focusing on The Five Major Areas to Contribute to High-quality Development

Deepening the Transformation of Digital Finance to Improve the Service Experience

In terms of digital finance, CITIC Securities promoted digital transformation, strengthened data governance, drove transformation with innovative application of information technology, and implemented artificial intelligence applications. Thanks to these projects, CITIC Securities won first prize in Financial Technology Development from the People's Bank of China. At the same time, CITIC Securities independently developed the “artificial intelligence plus” platform CAP and was among the first batch of companies to connect to the DeepSeek model, promoting e-CNY pilots, and launching the Xin E + electronic contract platform.

Case CAP (CITICS AI PLUS), CITIC Securities' AI Plus Platform

With the AI plus platform which integrates large language model technology with business activities, CITIC Securities actively deployed large language models in investment banking, investment research, equity incentive, wealth management, risk control, and compliance. The Company created the industry's first bond-focused model and the first equity incentive-focused model. Robots were developed to empower employees in risk control and digital employees were deployed for customer services. For these innovations, the Company won first prize in Financial Innovation from the Shenzhen local financial regulator. At the same time, CITIC Securities was one of the first securities companies to connect to the DeepSeek model. By accessing DeepSeek, CITIC Securities can further improve the performance of digital employees in risk assessment, investment decision-making, customer service, investment research analysis, compliance supervision and business process optimisation, and provide customers with more efficient, accurate and intelligent services and decision-making support.



FEATURE
2

Building the Company into a First-Class Investment Bank and Playing the Role of a Bridge.

Against the backdrop of accelerating changes in the global financial landscape and the deepening reform of China's financial market, building a world-class investment bank is a key measure to promote high-quality financial development and serve national strategies. As a leading provider of comprehensive financial services in China, CITIC Securities has always been committed to the goal of building itself into a world-class investment bank and playing its role as a bridge to help connect domestic and foreign capital markets and providing excellent financial services for global customers.

Remaining Committed to Building a World-class Investment Bank and Consolidating the Foundation for Financial Services

(1) Adhering to strategies as a guide and defining what a first-class investment bank is

CITIC Securities is deeply aware of the strategic significance of building a first-class investment bank, actively responding to national policies, and moving in line with world-class investment banks, with a well-defined orientation. A first-class investment bank is not only a core participant in the financial market, but also a significant driver of national strategies and promoting the development of the real economy. CITIC Securities is committed to building a sound and balanced business system that covers multiple areas, from equity underwriting, bond issuance, cross-border mergers and acquisitions, asset management, to fixed income, while actively planning for its global footprint to improve its ability to compete internationally and putting itself in a strong position to serve the government's strategy of building China into a financial power.

(2) Benchmarking against world-class investment banks to comprehensively improve the quality of development

Building a first-class investment bank is not only about size, but also about comprehensive capabilities. A first-class investment bank should have a comprehensive business system, with a complete set of licenses and a balanced business structure; it should have outstanding capabilities as an investor and the ability to create stable returns on investment over the long term, a strong global customer network and solid capabilities for resource allocation and risk hedging; it should be globalised and should be able to compete internationally; it should have put in place a proprietary, safe and efficient financial infrastructure under its control; it should have a professional, diverse, international team of professionals; it should have created a good corporate culture. In line with the above characteristics, CITIC Securities has comprehensively optimised its business system and its internal control, strengthened risk management and technology enablement, and promoted its own digital transformation to lay a solid foundation for building the Company into a world-class investment bank.

(3) Improving the Company's ability to compete internationally and planning for its global footprint

CITIC Securities has been proactive in planning for its global footprint, recognising the significant opportunities presented by the acceleration of the two-way opening of China's capital markets. The growing demand for cross-border investment and financing is a key focus area for the company, and CITIC Securities is well-positioned to capitalise on these trends. The Company has strengthened strategic cooperation with internationally renowned financial institutions, established overseas branches, and cultivated the cross-border business partnerships. These initiatives have enabled CITIC Securities to expand its overseas business network and enhance its global resource allocation capabilities. The Company's current global business network spans 13 countries in Asia, Oceania, Europe and the Americas.

Building the Company into a First-Class Investment Bank and Playing the Role of a Bridge.

Playing the Role of a Bridge to Empower Cross-border Financial Service Innovation

(1) Helping Chinese enterprises go global and expand their international business

CITIC Securities plays an active role in helping Chinese enterprises go global by providing a comprehensive range of financial services. The rapid construction of China's new open economic system has created significant opportunities for cross-border finance, and the Company is well-positioned to leverage its own resources to build a cross-border financial service platform that promotes the smooth flow of domestic and foreign capital. The Company provides enterprises with comprehensive, life-cycle financial services to support their global expansion.

Equity underwriting

the Company leverages its market insights and extensive project experience to assist enterprises in successfully listing their shares, acting as a vital conduit for equity financing. For instance, as a sponsor and lead underwriter, the Company supported Jingtai Technology in its Hong Kong IPO, marking a significant milestone as the first listed company under chapter 18C. In addition, the Company successfully underwrote the Hong Kong IPO projects of enterprises such as China Resources Beverage and MOKINGRAN, further consolidating its position as a leader in equity underwriting.

Bond issuance

The Company provides issuers with customised programmes for credit bonds, interest rate bonds, and innovative bond products to meet their diverse financing needs. In 2024, CITIC Securities assisted the Ministry of Finance in the issuance of RMB 5 billion of offshore bonds, and China Communications Construction Company Ltd., China National Petroleum Corporation Limited and other central enterprises in issuing offshore green bonds and offshore bonds, as part of our efforts to help enterprises expand their access to financing channels and optimise their capital structure.

Asset management, investment consulting and other business sectors

The Company provides investors with high-quality advice on asset allocation and comprehensive financial services and strives to help customers add value to their assets, in line with our business philosophy which focuses on professionalism and robustness.

Cross-border M&As

The Company helped Careray acquire the equity of ISDI in the UK, which accelerated the global development of Careay, a Chinese imaging technology enterprise listed on the STAR market; the Company assisted Jinxin Fertility in acquiring the equity of PT Morula based in Indonesia, which strengthened the former's footprint in the Southeast Asia market. In addition, the Company also helped Shenma enter into a strategic partnership with Nilit Group based in Israel, which has boosted the development of the high-end functional nylon industry and provided strong support for Chinese enterprises to expand globally.

Building the Company into a First-Class Investment Bank and Playing the Role of a Bridge.

(2) Attracting foreign investors to enhance the attractiveness of China's market

CITIC Securities actively carried out international investment promotion activities to attract foreign investors to China. By holding various international financial forums, seminars and other activities, the Company fully demonstrated the opportunities in China's capital market, its policy environment, and its prospects for development to global investors. At the same time, the Company strengthened communication and cooperation with overseas institutional investors, provided accessible investment channels and high-quality financial services for overseas investors to attract more international investors to participate in China's capital market, and enhance its global impact.

In 2024, the Company assisted Credit Agricole in a strategic investment in GAC Leasing to promote in-depth cooperation between foreign investors and Chinese enterprises; we assisted Gränges AB, a Swedish entity, in acquiring the casting and hot rolling plants of Shandong Innovation Group, as part of our efforts to provide efficient services and support for foreign enterprises entering the Chinese market. In addition, the Company has also actively promoted mutual recognition of funds across borders, and set up overseas investment funds and other operations to expand channels available for domestic and foreign investors for asset allocation and to further globalise China's capital markets.

(3) Innovating cross-border financial services to promote the high-level opening of financial markets

CITIC Securities actively responded to the national strategy of improving systems and mechanisms for high-level opening-up and continuously added variety to the supply of cross-border financial products and services. In the cross-border derivatives market, the Company stepped up efforts to innovate risk management tools to provide enterprises and investors with effective means of hedging risks. In 2024, the Company assisted Zijin Mining in completing an overseas convertible bond issuance project, the largest by an Asia Pacific mining enterprise. This not only provided diverse financing channels for the enterprise, but also improved their international competitiveness through innovative financial tools.

In addition, the Company also promoted the upgrading of cross-border financial services through a series of innovative measures. In 2024, the Company assisted Shandong Energy Group in completing the world's first blue exchangeable bond issuance project. This was the first time that a Chinese securities firm had completed the underwriting and issuance of stock-linked products in the Hong Kong stock market on its own, showcasing CITIC Securities' professional strengths in cross-border financial innovation. Through these innovative projects, the Company has not only improved its international competitiveness, but also contributed to the high-level opening of China's financial markets.

Looking forward: Continuing to Contribute to China's Development into a Financial Power

Going forward, CITIC Securities will unswervingly implement the major decisions and strategies by the CPC Central Committee on financial work, closely focus on serving national strategies and the real economy, promote wealth growth for the public, and help drive high-level institutional openness across the capital market. On the road to building itself into a first-class investment bank, CITIC Securities will continue to enhance its core competitiveness and improve its financial services system to make greater contributions to national economic development and financial market stability.

FEATURE
3

Fulfilling Our Mission and Responsibility to Fully Support National Major Strategies

2024 marked a pivotal year for implementing the guiding principles of the 20th National Congress of the Communist Party of China (CPC) and advancing the "14th Five-Year Plan." Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, CITIC Securities adhered to the new development philosophy in a complete, accurate, and comprehensive manner. We focused on serving Chinese modernisation and driving high-quality development, embodied the political and people-centric nature of financial work, enhanced professionalism, and demonstrated the responsibility of a state-owned financial institution in supporting national strategies.

Proactive Integration into National Priorities: Strengthening Support for the Real Economy

CITIC Securities fully implemented the requirements of the New Nine Guidelines for Capital Market Reform, prioritising financial functionality and advancing the Five Major Areas of Financial Services (technology finance, green finance, inclusive finance, pension finance, and digital finance). As a direct financing services provider, capital market gatekeeper, and social wealth steward, we delivered robust support for new quality productive forces. In 2024, our A-share equity underwriting volume exceeded RMB70 billion, while domestic bond underwriting surpassed RMB2 trillion for the first time. We facilitated innovation through equity investments and built a full-chain green service system, pioneering landmark transactions such as the world's first blue exchangeable bond and China's inaugural low-carbon transition "Belt and Road" corporate bond for tech innovation. Our asset management scale surpassed RMB4 trillion, with tailored solutions meeting diverse client needs. We expanded pension services, managing approximately RMB850 billion across China's three-pillar pension system, and implemented public fund fee reforms to enhance investor returns. As a pioneer in swap facilitation, we completed the first exchange-based swap transactions in Shanghai and Shenzhen, bolstering market stability.

Empowering Private Enterprises: Delivering Comprehensive Financial Solutions

Private enterprises, as pillars of the economy, engines of innovation, and key employment drivers, remain vital to high-quality development. CITIC Securities has thoroughly studied and implemented the spirit of the Third Plenary Session of the 20th CPC Central Committee and the spirit of President Xi Jinping's important speech at the private enterprise forum, attaches great importance to serving private enterprises, gives full play to the advantages of comprehensive finance and global layout, constantly improves the service mechanism of private enterprises, and enables the development of private enterprises from three dimensions.

Diversified Financing Channels and Support Private Enterprises

The Company supported 27 domestic equity offerings and 389 bond issuances for private enterprises, with total underwriting exceeding RMB90 billion. Landmark deals included listing financing for leaders in new quality productive forces, China's first private-sector digital economy innovation bond and first high-tech industry leasing ABS project. We have also completed multiple Hong Kong Stock Exchange IPOs, such as MOKINGRAN, and served enterprises such as Meituan in completing large-scale bond issuances overseas.

Fulfilling Our Mission and Responsibility to Fully Support National Major Strategies

Patient Capital for Industrial Upgrading

The Company strategically invested in over 30 private firms (e.g., Unitree Robotics), providing post-investment support in strategic restructuring and supply chain optimisation.

Industry Research and Empowerment Platform

The Company built a research services system of "industrial think tank+capital bridge," offering full-cycle strategic and capital market insights to empower private enterprises.

Supporting Regional Coordinated Development and Building a Multi-Tier Financial Support System

CITIC Securities has aligned with regional development strategies, targeting city clusters and metropolitan hubs to channel high-quality financing into the Beijing-Tianjin-Hebei integration, Yangtze River Economic Belt, Guangdong-Hong Kong-Macao Greater Bay Area, Yangtze River Delta integration, and Yellow River Basin ecological initiatives. With more than 400 branches in China and investment banking regional branches in key areas, we drove technological innovation, industrial upgrading, and new urbanisation through direct financing and M&A. The Company underwrote Beijing Infrastructure Investment Company Limited's RMB1 billion inaugural coordinated development bond for Beijing-Tianjin-Hebei (Beijing Exchange) for subway construction. We supported the Shenzhen Municipal Government in issuing RMB7 billion in offshore local government bonds and assisted the Guangdong Provincial Government in launching three tranches of green offshore RMB bonds totaling RMB5 billion, advancing green development and operational management in the Greater Bay Area. Leveraging our integrated business strengths, we collaborated to develop the Yangtze River Delta Green Finance Index and the Chengdu-Chongqing Economic Circle Index, while investing in regional equities, bonds, agricultural products, and commodities aligned with thematic priorities. Through strategic asset allocation, we have bolstered regional economic growth.

Fulfilling Our Mission and Responsibility to Fully Support National Major Strategies

Advancing Two-way Opening-up and Enhancing Cross-border Financial Service Capabilities

Adhering to the service concept of "CITIC, your trusted partner for going global" and "CITIC, your trusted partner for coming to China," we actively supported two-way opening of the capital market. Seizing the significant opportunities presented by Chinese enterprises expanding overseas and foreign investments coming to China, we have leveraged our role as a top-tier investment bank to serve as a bridge connecting domestic and international economic circulations, comprehensively strengthening our cross-border financial service capabilities. By expanding our presence in Asia, Europe and North America, we have bridged cross-border investment, told China's story and attracted long-term capital. With a client-centric approach, we focus on enhancing transaction services, wealth management, financing solutions, and integrated offerings, proactively expanding cross-border and offshore product portfolios to provide comprehensive multi-asset, multi-strategy, and multi-region solutions. Leveraging the Shenzhen Global Clearing Centre, we have achieved full connectivity with major international exchanges and clearing infrastructures, enabling cross-border settlement services for clients in over 60 countries and regions and establishing a proprietary, secure, and controllable global clearing system. By facilitating interconnectivity between domestic and international financial markets, we have built a cross-border wealth management product and service ecosystem. Centred on equities, indices, interest rates, foreign exchange, and commodities, we provide professional solutions that effectively meet the needs of global clients in accessing emerging markets, diversifying global asset allocations, and managing risk exposures. These efforts have solidified CITIC's contribution to advancing China's capital market opening-up through institutional innovation.

Strengthening Risk Controls to Safeguard Financial Stability and Security

Preventing and mitigating financial risks, especially systemic financial risks, is a fundamental task of financial work and a critical hurdle that must be overcome to achieve high-quality development. As an important part of the capital market, the risk prevention and control of the securities industry is of great significance to the stability of the entire financial system.

In recent years, CITIC Securities has prioritised financial risk prevention and control, fully implemented the regulatory philosophy of "Strengthening the Foundation and Strict Regulation", and safeguarded national financial stability and security. The Company have continuously improved our modern, comprehensive risk management system, paying close attention to the interconnected and systemic nature of various financial risks, as well as the prevention and resolution of cross-market, cross-industry, and cross-border risks, while persistently enhancing counter-cyclical financial risk management under new circumstances.

Fulfilling Our Mission and Responsibility to Fully Support National Major Strategies

Strengthening Regulatory Requirements

In line with the regulator's overarching requirements for the prevention of financial risks, the Company have consolidated and refined the institutional foundations of risk management, strengthened the rule systems for risk management in all business areas, and strengthened the "safety net" and "guardrails" of the capital market.

Expanding Technology Use

The Company have actively explored the application of financial technologies such as artificial intelligence and big data in risk management. Leveraging our big data and AI platforms, we utilise knowledge graphs, data mining, large language models (LLMs), and other technical tools to enhance the dimension and depth of client profiling and public sentiment monitoring. Through distributed computing, stream processing, middleware, and other high-performance technologies, we optimise risk measurement capabilities, thereby improving the foresight and efficiency of risk management.

Standardise the Managing Process

The Company focus on systemic capacity building by continuously refining due diligence standards and audit processes, strengthening personnel management and internal training, enhancing daily risk monitoring, early warning, prevention, and resolution, and establishing a responsibility mechanism for risk resolution that aligns authority with accountability and integrates incentives, thereby perfecting the institutional framework for risk prevention and control.

As a key participant and service provider in China's capital market, CITIC Securities has always regarded serving national strategies as its mission, resolutely participating national development. On the new journey of advancing Chinese modernisation in all respects, CITIC Securities will demonstrate strong political commitment, robust professional capabilities, and concrete actions to continuously support the capital market's role as a financial hub, driving financial momentum for the implementation of the country's major strategic initiatives.

Serving the Economy and Society

- CULTIVATING NEW QUALITY PRODUCTIVE FORCES TO UNLEASH NEW MOMENTUM FOR HIGH-QUALITY DEVELOPMENT
- DEEPENING HIGH-LEVEL TWO-WAY OPENING-UP TO SERVE THE NEW DEVELOPMENT PARADIGM
- LEVERAGING OUR CAPITAL MARKET INTERMEDIARY ROLE TO SUPPORT STEADY DEVELOPMENT



CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

CITIC Securities has thoroughly implemented the major decisions and deployments of the Party Central Committee regarding financial work, deeply grasped the political and people-oriented nature of financial work, anchored the goal of building a first-class investment bank, and continuously improved professional standards and the ability to serve the real economy. In 2024, the Company continued to strengthen services in key areas such as new technologies, new industries, and new business forms, guiding more resource elements to converge towards new quality productive forces. We fully leveraged the hub-functionality of the capital market, providing high-level, professional services to support direct financing for entity enterprises and enhance financing efficiency. Adhering to an international development strategy, the Company optimised its global business layout and continuously improved its comprehensive global financial service capabilities. We practice the concept of sustainable development, steadily advancing the integration of ESG with our business operations.

1.1 Cultivating New Quality Productive Forces to Unleash New Momentum for High-Quality Development

New quality productive forces represent advanced productivity driven by technological innovation and breakthroughs in critical, disruptive technologies. CITIC Securities has positioned fostering new quality productive forces as both an inherent requirement and a strategic focus for advancing national priorities and serving high-quality economic development. By proactively targeting key directions in strategic emerging industries and intensifying resource investments, we strive to provide diversified financing channels for new technologies and industries, actively nurturing high-tech, high-efficiency, and high-quality productivity.

Deepening Equity Financing for Sci-Tech Enterprises

In 2024, the company prioritised “hard and core technology” companies, enterprises that integrate innovation and creation with new industries, business models and technologies, and specialised and sophisticated “little giant” enterprises, leveraging diversified equity financing services to help tech innovators secure efficient funding. This supports enterprises in accelerating modern industrial cluster development, and evolving into outstanding innovators aligned with national strategic needs.

Case Multi-Tool Capital Support Empowers United Imaging Healthcare’s Innovation

United Imaging Healthcare, a global medical technology innovator, provides end-to-end solutions across prevention, diagnosis, treatment, and rehabilitation to build a smart healthcare ecosystem. In January 2024, CITIC Securities acted as the sole lead underwriter and bookrunner for United Imaging’s RMB 1 billion, 3-year private placement of innovation-focused corporate bonds on the Shanghai Stock Exchange. This marked China’s first medical sector private enterprise innovation bond.

Over the past decade, CITIC Securities has supported United Imaging through RMB 3.3 billion of private financing, a Sci-Tech Innovation Board (STAR Market) IPO, inquiry-based share transfers, buybacks, and equity incentives, providing customers with diversified and comprehensive financial services.

Case Sustained Support for Kede CNC’s Financing and New Quality Productive Forces

Kede CNC is a complete industrial manufacturer of professional high-end CNC systems and key functional components in China, and also one of the few enterprises in China that has mastered the core technology of five axis linkage CNC machine tools, CNC systems and key functional components. CITIC Securities continues to provide capital market services for Cod Numerical Control. Through the initial public offering and two stock offerings to specific objects, Cod Numerical Control will raise funds to invest in the expanded production of domestic five axis machine tools and the capacity construction of key functional parts, and achieve leapfrog development with the help of the capital market.

Enriching the Sci-Tech Bond Ecosystem

In 2024, CITIC Securities underwrote RMB146.7 billion of innovation-focused bonds, delivering landmark projects such as: Xiaomi Communications’ first-ever dual-innovation bond (tech innovation + high-growth industries), and TCL Technology’s first private enterprise digital economy innovation bond on the Shenzhen Stock Exchange, also the exchange’s inaugural benchmark bond for market-making.

Case Xiaomi Communications’ Dual-Innovation Bond for Smart Manufacturing

In July 2024, CITIC Securities, as the lead underwriter, underwrote Xiaomi’s industry-first dual-innovation bond on the Shanghai Stock Exchange. Proceeds will fuel R&D in smart manufacturing technologies, drive the optimisation and upgrading of industrial structure and industrial efficiency, and promote the efficient and rapid development of new quality productive forces.

Case Pioneering TCL Technology’s Digital Economy Innovation Bond

In January 2024, CITIC Securities led TCL Technology’s issuance of China’s first private enterprise digital economy innovation bond on the Shenzhen Stock Exchange as the lead underwriter, the first private enterprise market making benchmark bond on the Shenzhen Stock Exchange. This bond supports TCL’s “Tech-Digital-Green” strategy, gathering support from all parties, fostering industrial competitiveness, and promoting the high-quality development of China's manufacturing industry.

Empowering Sci-Tech M&A and Restructuring

CITIC Securities continuously enriches its M&A and restructuring services, strengthens its efforts to serve the upstream and downstream integration of strategic emerging industrial chains, and helps scientific and technological innovation enterprises achieve high-quality business development through M&A.

Case Optimising Haohua Chemical’s Fluorochemical M&A

Haohua Chemical is an advanced chemical material solutions provider, mainly engaged in the R&D and production of high-end fluorine materials, electronic chemicals, and high-end manufacturing chemical materials, and providing carbon emissions reduction business of green low-carbon overall solutions. In March 2024, CITIC Securities, as an independent financial adviser, helped Haohua Chemical issue shares to acquire 100% equity of Sinochem Lantian, which passed the review of the Shanghai Stock Exchange Reorganisation Committee, and completed the registration of new shares and the delivery and transfer of underlying assets in July 2024. This transaction is a combination of strong fluorochemicals, which helps to build the flagship listing platform of Sinochem's subordinate chemical technology, and build a leading position in the domestic fluorine chemical industry.

1.2 Deepening High-Level Two-Way Opening-up to Serve the New Development Paradigm

CITIC Securities adheres to an internationalisation strategy, actively integrates into China’s broader opening-up agenda, expands global business networks, and enhances comprehensive cross-border financial services. We assist Chinese enterprises in “going global” and foreign enterprises in “entering China”, delivering integrated financial solutions. We also facilitate cross-border exchanges between domestic firms and global investors, supporting China’s drive to build a higher-level open economy.

Expanding the Global Network

CITIC Securities operates in 13 countries, covering over 95% of global stock market capitalisation. We serve more than 2,000 major institutional investors globally and are the largest Chinese securities firm in the Belt and Road region by local branches, research coverage, sales networks, and settlement infrastructure. We are also the investment bank most aligned with the Belt and Road Initiative globally.

Enhancing Global Financial Services

To meet growing client demand for global wealth allocation, we prioritise client-centric services, upgrading trading, wealth management, financing, and integrated solutions. We actively expand cross-border and offshore product offerings, providing multi-asset, multi-strategy, and multi-regional services. This contributes to social welfare, common prosperity, and China’s economic resilience.

In 2024, CITIC Securities maintained leadership in global equity services for Chinese clients, ranking second in Hong Kong equity underwriting and first in offshore Chinese bond underwriting.

Case CITIC Securities as Sole Sponsor for XtalPi’s Historic 18C Listing on HKEx

In June 2024, XtalPi (renamed “XtalPi Holdings”) was successfully listed on the main board of the Hong Kong Stock Exchange. It became the first company listed under Chapter 18C of the Listing Rules for “Specialist Technology Companies”. CITIC Securities acted as sole sponsor, global coordinator, joint book manager, and joint lead manager.

CITIC Securities has always adhered to financial services for the real economy, actively responded to policy requirements such as the Plan for the Development of New-Generation Artificial Intelligence and the Guiding Opinions on Accelerating Innovations in Scenarios to Promote High-level Economic Development through High-level Application of Artificial Intelligence, and has deployed the "Artificial Intelligence+" action plan. It has deeply cultivated the field of artificial intelligence and robot automation services. As the exclusive sponsor of this project, it fully demonstrates its corporate value with solid industry research and professional efficient execution, and helps XtalPi Holdings, a leader in AI Pharmaceutical fields, successfully go public. This listing strengthens its global competitiveness and injects momentum into China’s AI industrial upgrade.

Case CITIC Securities Helped Meituan’s USD 2.5 Billion Offshore Bond Issuance

In September 2024, CITIC Securities served as joint bookrunner and joint lead manager for USD1.2 billion senior unsecured bonds with a maturity of 3.5 years and USD1.3 billion senior unsecured bonds with a maturity of 5 years in the offshore bond capital market.

The total issuance scale of the biennial senior bonds reached 2.5 billion US dollars, the largest issuance in the Chinese offshore bond market in the past three years, and the first overseas bond issuance of Meituan since 2021, attracting extensive attention from domestic and foreign investors. As the only Chinese underwriter, we earned issuer acclaim through execution efficiency and global distribution. In recent years, CITIC Securities had continued to assist Meituan in implementing its capital market strategy, providing diversified financing solutions. This issuance further consolidates long-term cooperation between CITIC Securities and Meituan in the capital market field, and enhances CITIC Securities' market reputation in the overseas bond market.

Promoting Cross-Border Collaboration

CITIC Securities actively participated in and co-organised various international investor activities, helping Chinese enterprises “going global” and international clients “entering China”. In 2024, CITIC Securities co-organised international investor events in the UK, Singapore, and Australia, showcasing Chinese opportunities to global audiences. Through forums like the “China Enterprise Roundtable” and the “China Bond Market Forum”, we strengthened ties with Middle Eastern and European investors, helping clients explore overseas opportunities. Annual forums in Hong Kong, Japan, ASEAN, and India provided face-to-face engagement platforms.

Case **Hosting the 2024 Investor Open Day**



In December 2024, CITIC Securities, with the theme "CITIC, your trusted partner for going global" and "CITIC, your trusted partner for coming to China", held an investor open day activity, attended by more than 60 institutional investors, analysts, media reporters, and corporate representatives. Keynote speeches and roundtables highlighted cross-border investment trends, reinforcing CITIC’s role as a bridge for global capital flows.

1.3 Leveraging Our Capital Market Intermediary Role to Support Steady Development

Listed companies form the bedrock of capital markets, the source of investment value, and the “core engine” of the national economy. CITIC Securities aligns with China’s strategic priorities, rigorously implements the “State Nine Guidelines”, and upholds the principle of “preventing risks, strengthening regulation, and promoting high-quality development”. We enforce a “responsibility upon application” ethos, scrutinising market entry and exit to enhance overall listed company quality.

Acting as the Capital Market’s “Gatekeeper”

CITIC Securities has fully leveraged its role as a “gatekeeper” of the capital market to support the development of a secure, standardised, transparent, open, vibrant, and resilient capital market. The Company rigorously enforces standards for listing access, improves the quality of pre-IPO guidance, strengthens end-to-end quality control and project monitoring, and rigorously fulfils its responsibilities in verification, due diligence, and professional oversight by leveraging its expertise. It continuously raises verification benchmarks, enhances project execution and filing document quality, and bolsters its own professional capabilities. The Company strictly enforces disclosure requirements for fundraising projects, conducts professional reviews of financial statements, business conditions, and risk disclosures of listing candidates or listed companies, and comprehensively evaluates operational, financial, and market risks to ensure timely risk transparency. It implements ongoing regulatory requirements for listed companies, enhances continuous supervision of their disclosures and governance, strictly monitors share reduction activities, assists listed companies in focusing on core businesses, and drives improvements in their investment value.

Green Development to Guard Clear Waters and Green Mountains

- DEVELOPING SUSTAINABLE FINANCE
- ACTIVELY ADDRESSING CLIMATE CHANGE
- PROMOTING GREEN AND LOW-CARBON OPERATIONS



CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

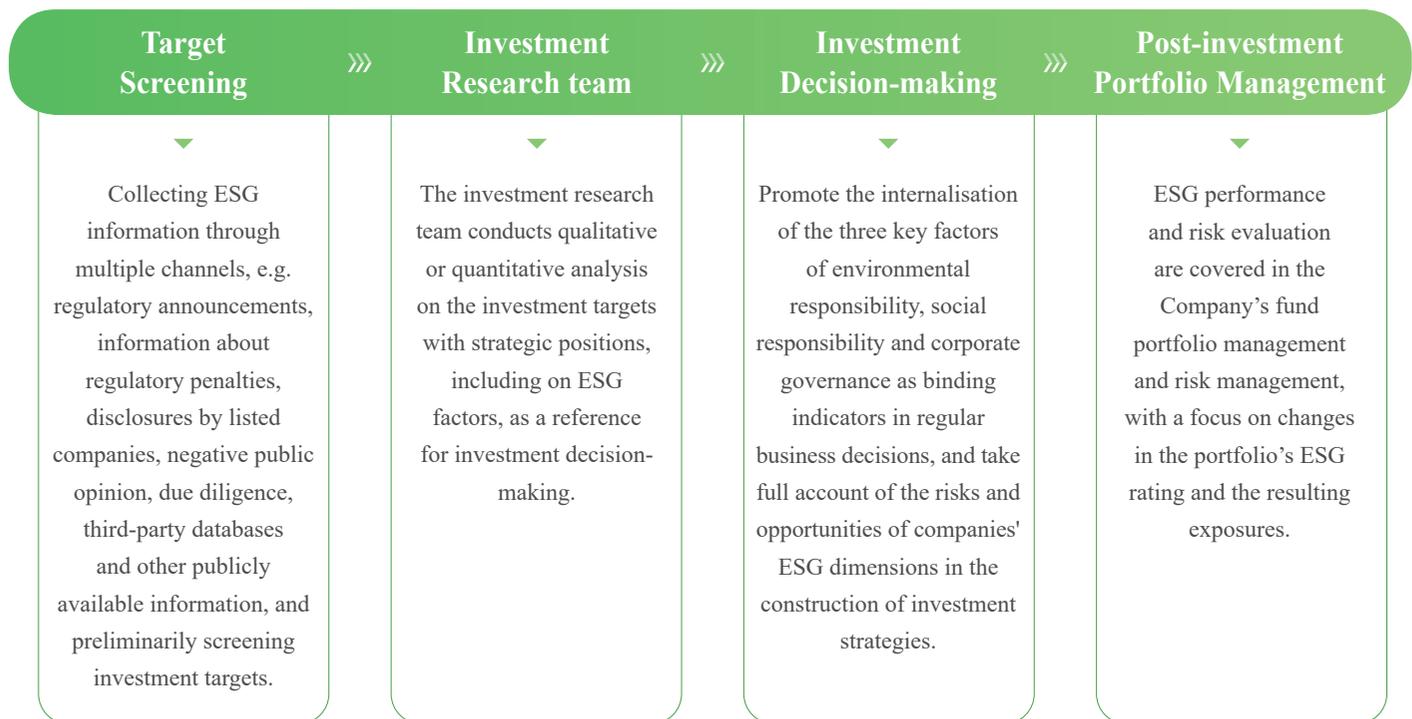
2.1 Developing Sustainable Finance

CITIC Securities actively implements the new development philosophy, advancing green finance to support industrial restructuring, pollution control, ecological conservation, and climate action. We promote low-carbon, pollution reduction, green expansion, and sustainable growth, facilitating a comprehensive green transition in socio-economic development. By prioritising resource allocation to green finance, we innovate green trading products, derivatives, and services, enhancing our capacity to deliver green equity, bonds, and asset-backed securities (ABS) solutions. This guides industrial and energy structures towards low-carbon transformation, contributing to China’s “Carbon Peak and Carbon Neutrality” goals.

Responsible Investment

CITIC Securities issued the Statement of CITIC Securities Co., Ltd. on Responsible Investment, which fully describes the Company’s organisational structure and management procedures for responsible investment, the responsible investment process, the strategy and its implementation, relevant research and exchanges, etc. We always pay attention to the impact of social and environmental factors in the whole life cycle of investment management, and actively include ESG factors in the preliminary screening of investment targets, analysis of investment research teams, investment decision post-investment management, and other processes.

Responsible Investment Process



Responsible Investment Strategies

Responsible Investment Strategy	Strategy Adopted	Product Category
<p>Positive screening</p>	<ul style="list-style-type: none"> In the selection of the underlying industries, the Company focuses on industries that are highly aligned with ESG concepts. The selection is also based on internal and external ratings, including ESG scoring and rating changes of the underlying investment. The Company studies the ESG attributes of listed companies when making equity-related investment decisions and focuses on listed companies with high ESG ratings from professional rating agencies. 	<p>Listed equity Fixed income</p>
<p>Negative screening</p>	<ul style="list-style-type: none"> In the selection of investment targets, industries or enterprises that have significant negative impacts on society are excluded. Especially those where serious negative events such as serious pollutions and staff safety accidents have taken place are prudentially evaluated, factors considered including but not limited to impact on climate change, pollution and waste discharge, corporate governance, etc. In the case of PE investments, independent due diligence is conducted on targets including ESG factors. Assessment opinions are issued, with further risk assessments performed on those that have a significant impact. China Asset Management excludes specific industries and individual stocks that do not comply with ESG standards by formulating sustainability investment strategies and relevant guidelines. Combined with research and investigation of corporate governance integrity archives, it integrates important financial risks, regulatory penalties, major public opinion, and governance dispute cases that have occurred in the history of listed companies to form a comprehensive score for the governance of the target company. 	<p>Listed equity Private equity Fixed income</p>
<p>ESG integration</p>	<ul style="list-style-type: none"> In investment analysis and decision-making, the Company takes ESG factors into consideration and comprehensively evaluates the target's sustainability capabilities and performance of social responsibilities. In asset management business, the Company evaluates and tracks the target's ESG performance in the whole process, and integrates ESG factors into each business process as an important investment strategy. In the process of investment, the Company focuses on the prospectus and third-party reports, incorporates green factors into the fundamental research, and then conducts a comprehensive evaluation. In fixed income business, the Company considers the target's ESG factors and conducts internal ratings, which are applied to business management. China Asset Management embeds ESG concepts throughout the entire investment process, further enhancing the management standards of ESG themed products. In the pre-investment risk control stage of portfolio management, it comprehensively considers authority and availability, selects third-party ESG rating data, and screens out low rated stocks based on the internal ESG evaluation framework. 	<p>Listed equity Fixed income</p>

Responsible Investment Strategy	Strategy Adopted	Product Category		
<p>Impact investment</p>	<ul style="list-style-type: none"> The Company focuses on important topics in China’s future economic and social transformation and sustainable development, and actively invests in assets in sustainable development, rural revitalization and other fields. <p style="text-align: center;">————— By the end of 2024 —————</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>The balance of bonds invested in rural revitalization bonds was over</p> <p>RMB 7.0 billion</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Green industry development direction bonds over</p> <p>RMB 11.0 billion</p> </td> </tr> </table>	<p>The balance of bonds invested in rural revitalization bonds was over</p> <p>RMB 7.0 billion</p>	<p>Green industry development direction bonds over</p> <p>RMB 11.0 billion</p>	<p>Listed equity Fixed income</p>
<p>The balance of bonds invested in rural revitalization bonds was over</p> <p>RMB 7.0 billion</p>	<p>Green industry development direction bonds over</p> <p>RMB 11.0 billion</p>			
<p>Sustainability-themed investments</p>	<ul style="list-style-type: none"> The Company invests in green bond and carbon neutrality bonds, and keeps an eye on targets related to sustainable development themes such as environmental protection, clean energy and the new energy industry. CITIC Securities Asset Management Company Limited (“CITIC Securities AM”) continued to increase the investment scale of ESG theme assets, including standardised stocks, bonds, ABS, public REITs and other assets. By the end of 2024, CITIC Securities AM had accumulatively participated in a total of 9 REITs in energy infrastructure, ecological environmental protection, and water conservancy facilities, with an investment scale of about RMB 290 million, up 68.2% year on year. 	<p>Listed equity Fixed income</p>		
<p>Active ownership</p>	<ul style="list-style-type: none"> The Company actively exercises its rights as ownership to encourage investees to create positive impacts on the environment and society by communicating with investees on ESG issues and through other means to help them improve their ESG performance. For targets that may be held for a long time, the Company encourages researchers to emphasise ESG criteria in their research into listed companies to promote enterprises to improve ESG performance. 	<p>Listed equity</p>		
<p>ESG investment philosophy</p>	<ul style="list-style-type: none"> The Company actively promotes the ESG investment concept among institutional investors and integrates it into related financial products. In 2024, the Company cooperated with several ESG data providers to integrate relevant ESG data into index investment strategies. 	<p>Listed equity Asset allocation</p>		

Responsible Investment Practices

CITIC Securities insists on responsible investment, continues to promote the development of ESG-themed products, strengthens the integration of ESG into the investment process to improve the ESG management level. Through the system construction, the ESG concept is embedded in all aspects of the investment process, with responsible investment practices implemented throughout the business process.

ESG-themed products

Asset management

- As at the end of 2024, the stock investment in high-tech industries and environmental protection industries including electronics, military, computers, mechanical equipment and new materials has exceeded RMB 29 billion in total.
- The fixed income portfolio has embedded ESG investment strategies and exceeded RMB 70 billion as at the end of 2024; by referring to the rating of China Bond ESG issuer, the Company sets a lower limit of the market value of fixed income assets by a ESG score weighting, and controls the upper limit of the proportion of investment to assets with low ESG scores to ensure the overall ESG performance of the portfolio.
- The CITIC Securities fixed income ESG strategy No. 1 private collection plan: as at the end of 2024, the total scale of the product reached RMB 356 million, and at least 80% of the net worth of the product was invested in ESG-themed securities.

Wealth management

- Actively introducing ESG related products. As at the end of 2024, the Company had launched 141 ESG products under the wealth management business line, with a total value of RMB 13.1 billion, including 45 new products launched in 2024. New products launched in 2024 comprised mainly A50 ETFs and A500 ETFs which adopts ESG strategy. The related indexes incorporated the ESG sustainable investment concept and took into account the sustainability and performance of social responsibilities of constituent enterprises.

ESG integration

- The Company continued to enrich ESG investment tools in asset management business. On the basis of sorting out industrial and green bond classification standards, the Company realised label management covering more than 600 ESG bond issuers and nearly 900 green bonds; the Company strictly implements the ESG-themed strategy, makes full use of the purchased ESG rating database of China Securities listed companies and China Bond issuers to penetrate and control the ESG performance of the underlying bond issuers, and form ESG bond investment strategies that combine internal credit ratings with external ESG ratings; the Company includes ESG related indicators into its risk appetite, regularly reviews and verifies the completion status to improve the strategic importance of ESG investments.

Responsible investment research

- The Company's asset management team has carried out in-depth research on green industries. In 2024, the team has conducted research and exchanges with green industry related issuers for more than 60 times, generating more than 70 research summaries and in-depth reports. Key research directions include green investment in urban renewal, new energy and new materials, green upgrading of traditional energy, green supply chain ABS and green power REITs.
- In 2024, the number of green bond issuers who are onboarded by the asset management team or whose internal rating is elevated by the asset management team amounted to nearly 40; more than 150 newly admitted green bonds are onboard, accounting for nearly 50% of the newly issued green bonds in the year. The Company thoroughly examines the performance of investees in respect of social responsibility and corporate governance. In respect of green fixed income assets, the Company focuses on reviewing their prospectus and third-party evaluation reports, incorporating green factors into the research of fundamentals and conducting a comprehensive evaluation. At the same time, the issuer were evaluated qualitatively from aspects including environmental risk exposure, negative environmental impact and positive green performance.
- ChinaAMC actively participated in the sustainable investment-themed seminars organised by the Principles for Responsible Investment Organisation, the China seminar under Asia Investor Group on Climate Change (AIGCC) and the Climate Action 100+ (CA100+) state-owned enterprises joint communication working group meeting, thereby exchanging sustainable investment practices with domestic and foreign financial institutions.

Shareholder engagement

- The ESG team of ChinaAMC improved shareholder engagement in 21 listed companies across the information technology, healthcare, energy, industry, utilities, materials, consumption and other sectors. As at the end of 2024, ChinaAMC had communicated with more than 60 listed companies on ESG related issues, and continued to track the performance improvement of listed companies on ESG issues. In respect of proxy voting of shareholders, ChinaAMC launched an internal proxy voting digital platform, and continued to expand the application scope of the voting platform in 2024, significantly improving the overall participation of shareholders in voting.

Empowering invested enterprises

- Service empowerment: Provide various value-added services and recruit high-quality talents to improve invested enterprises' business capabilities.
- Strategic empowerment: Assist invested enterprises to clarify their strategic development direction, introduce corporate service resources for invested enterprises to optimise business layout and improve their market competitiveness.
- Management empowerment: Improve invested enterprises' corporate governance and organisational structure, strengthen their financial management capabilities, and improve their management level and efficiency.
- Financing empowerment: Help invested enterprises identify high-quality industrial investors and financial investors to optimise asset structure, and improve their risk resistance and comprehensive competitiveness.
- Resource empowerment: Provide access to high-quality industrial chain resources, including suppliers, customers and partners, promote resource sharing and complementary advantages, help invested enterprises expand market share and enhance brand influence.

Environmental footprint assessment

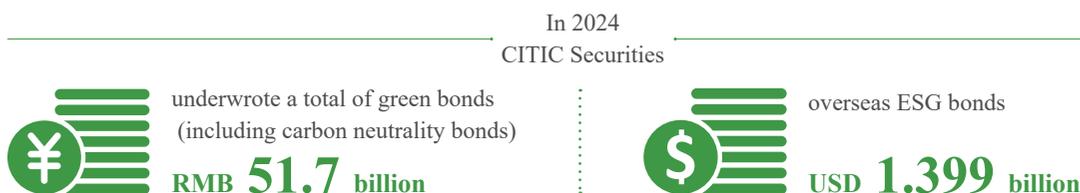
- ChinaAMC completed the preliminary design of the portfolio carbon emissions digital module, covering indicators such as industry attribution and schedule of major constituent stocks, with reference to the prevailing methodology for portfolio carbon emissions accounting in the world, so that investment managers can efficiently and timely understand the portfolio profile. On the basis of portfolio carbon emission measurement, ChinaAMC actively explores portfolio carbon emission target setting, contributing to the realisation of the dual carbon goals.

Direct investment business management

- Embed ESG factors into business risk management processes, pay more attention to credit risk assessment of enterprises in energy-intensive industries in daily project review and public opinion risk monitoring, and give priority to supporting industries encouraged by national policies. In the post-investment management, understand the invested enterprise's financial situation, business operation, major investment and financing activities and other matters that may have a significant impact on the invested enterprise.
- GoldStone Investment continues to focus on and invest in green industries such as clean energy, green transportation, green and intelligent manufacturing, energy conservation and carbon reduction, and actively seizes the opportunities for application of green materials in fields such as battery recycling and energy storage. From 2021 to 2024, GoldStone Investment invested in around 30 enterprises along the green technology industry chain, with an accumulated investment of more than RMB 7 billion.

Sustainable Financing

In 2024, CITIC Securities continues to provide enterprises with green financing solutions such as green equity, green bonds and asset-backed securities, and assists a number of new energy and environmental protection enterprises in completing equity financing and mergers and acquisitions; the Company prioritises sustainable financing and pursues industrial value under the "dual carbon" policy and actively underwrites ESG related bonds to lead the fund flows to sustainable development projects.



Debt financing

- Helped a private enterprise in the new energy sector successfully list its first public REITs project on the Shanghai Stock Exchange.
- Assisted Jiangxi Investment Group successfully issue its first domestically and internationally certified technological innovation green bond in China.
- Helped East Airport Group successfully issue China's first "carbon neutrality + rural revitalization + high growth industry" bond.
- Helped Shenzhen Municipal Government issue RMB 7 billion of offshore local government bonds this year, including low-carbon city-themed green bonds and sustainability offshore CNY bonds.
- Helped Guangdong Provincial Government issue green offshore CNY bonds with a total value of RMB 5 billion for three different terms.
- Helped Bank of China successfully issue the world's first batch of "Belt and Road" sustainability bonds, which were simultaneously issued by three overseas branches in Macao SAR, Hungary, and Panama, with currencies covering USD and CNY and with a total value equivalent to USD 940 million.
- Helped China Communications Construction issue green offshore CNY bonds totalling RMB 7.1 billion in three terms.

Equity financing

- The Company continues to increase financial support for green industries and is helping a number of environmental protection and new energy enterprises, such as China Energy Conservation and Environmental Protection Co., Ltd. ("Jieneng Huanjing") and Sichuan New Energy Power Company Limited complete equity financing and merger and acquisition projects.

Case

Assisting CECEP Environmental Protection co.,Ltd, in Major Ssset Restructuring to Serve the National "Dual Carbon" Strategy

Jieneng Huanjing is a leading enterprise in the domestic waste incineration power generation industry. In 2024, as an independent financial consultant and lead underwriter, the Company helped Jieneng Huanjing merge with the waste incineration power generation assets under China Energy Conservation and Environmental Protection Group and raise funds. The restructuring scale amounted to RMB 11.16 billion with the funds raised amounting to RMB 3 billion, the largest A-share asset restructuring project in the waste power generation industry. After the restructuring was completed, Jieneng Huanjing was positioned as a comprehensive service provider in the waste disposal business. It will fully implement the green development concept of "green mountains and clear waters are equal to mountains of gold and silver", and contribute more to achieving the "dual carbon" goal and the sustainable development of the environment.

Case **Helping Huaxia TBEA New Energy REIT Successfully go Public**

In July 2024, Huaxia TBEA New Energy REIT was successfully listed on the Shanghai Stock Exchange, with CITIC Securities as the special plan manager and financial adviser, and ChinaAMC as the public fund manager. The underlying asset of Huaxia TBEA New Energy REIT is the Hami photovoltaic power generation project located in Yizhou District, Hami City, Xinjiang Uygur Autonomous Region. The original owner and operations manager was TBEA Xinjiang New Energy Co., Ltd. The project not only provides investors with a low threshold tool for investing in high-quality clean energy projects, but also connects the financing chain for the new energy industry, promoting the strategic implementation of green power producers and operators. It is of great significance in expanding new channels for the development of clean energy in Xinjiang and accelerating the process of carbon peaking and carbon neutrality in China.

At the same time, CITIC Securities' asset management business expanded its green finance practices into energy and environmental protection REITs, and achieved excellent investment performance by investing in TBEA's new energy REITs in various ways.

Expanding Green Finance Service Coverage

CITIC Securities continues to deepen the layout of green finance services, build a multi-level green financial service system, focus on promoting carbon finance business innovation, strengthen green risk management services for futures business, guide investment to green-themed securities for equity derivatives business, so as to comprehensively enable the low-carbon transformation of the real economy.

Carbon Financial Business

As the first securities institution in China to carry out carbon trading business, CITIC Securities is committed to improving the function of the carbon market, promoting the high-quality development of green finance, comprehensively supporting the construction of the carbon market, and providing comprehensive services for carbon trading and carbon finance for emission control and emission reduction enterprises nationwide, so as to help them reduce performance costs, obtain carbon reduction funds, and realise carbon emission reduction benefits. CITIC Securities regularly provides quotation and trading services in regional carbon markets approved by the state to help improve the vitality and effectiveness of the carbon markets.



Conclude China's first carbon emission quota repurchase transactions in Shanghai

In February 2024, CITIC Securities reached the first batch of carbon repurchases with Shanghai Desano Chemical Pharmaceutical Co., Ltd. and Shenneng Carbon Technology Co., Ltd. after Shanghai Environmental Energy Exchange issued carbon repurchases business rules. By serving the infrastructure construction and functional mechanism improvement of the carbon markets, the Company leads more social capital into the carbon reduction and transformation fields.



Complete the largest carbon asset repurchase transaction since the establishment of the domestic carbon market

In April 2024, CITIC Securities and Huaxin Cement Co., Ltd. completed the largest carbon asset repurchase transaction since the establishment of China's carbon market, with a transaction value of RMB 100 million. By transactions of this kind, the Company helps business enterprises obtain carbon reduction funds through revitalising the existing carbon assets in idle, thereby promoting the transformation and upgrading of traditional industries towards high-end, intelligent and green development, and leading more social funds to investing in green and emission reduction fields.



Launch China's first carbon borrowing and trading business in Hubei carbon market

In October 2024, after Hubei Carbon Emission Exchange Co., Ltd. issued the detailed rules for carbon borrowing trading business, CITIC Securities launched the first domestic carbon borrowing and trading services, thereby giving full play to its professional financial advantages, improving the trading vitality of the carbon market, and contributing to the continuous improvement of the basic functions of the carbon market.



CCER (China Certified Emission Reduction)

CITIC Securities assisted local governments and state-owned enterprises in applying for forestry/offshore wind power CCER, helping them obtain income to subsidise industrial development through block transactions, thereby establishing a green development cycle of "carbon reduction resources - carbon assets - carbon reduction benefits - more resources".



Green Futures Business

CITIC Futures mitigates the operating pressure of enterprises in the new energy industry chain by providing a variety of green futures, and deepens the development of green finance through continuous demonstration of new futures tools.

Strengthen the cultivation of green futures market and build a strong presence in the industry

- CITIC Futures attaches great importance to the important role of green futures in the new energy industry and actively expands its variety. Various branches, research institutes and marketing department of CITIC Futures jointly promote and encourage customers to participate in the trading of industrial silicon and lithium carbonate futures in Guangzhou Futures Exchange.

Conduct forward-looking featured research to build a green financial industry service system

- Provide forward-looking strategies and in-depth research to lead the green finance industry. In 2024, the "Dual Carbon and ESG Internal Reference" was released to provide the latest policy interpretation and green finance frontier trends.
- Refine the panoramic service plan to solve customers' pain points and difficulties. Through in-depth and extensive research, the Company provides new perspectives for business branching and expansion, as well as incremental information and value-added services, which help customers address the difficulties they face in industrial transformation and upgrading and ESG construction.
- Customise considerate services to help customers achieve business results. Leverage the systematic research advantages integrating "macro - meso - commodity", provide comprehensive and personalised services such as data tracking, industry research, road shows and in-depth research.
- Gather experts and industrial resources to build a green financial circle. Build a green financial industry circle integrating "industry + investment + experts" to help enterprises better understand the needs of industrial transformation, green finance, going global and ESG.



CITIC Futures Green Finance Research System



CITIC Futures Dual Carbon and ESG Internal Reference

Innovate the green finance derivatives service scheme to help customers achieve robust operation

- The conclusion of the first batch of business shows professional strength and empowers new energy enterprises. CITIC Futures assisted several industrial customers to complete China’s first standard warehouse receipts for lithium carbonate futures, the first lithium carbonate futures transaction in Guangzhou Futures Exchange, and the first futures-to-cash business for non-standard warehouse receipt in Guangzhou Futures Exchange.
- Innovate green finance business through OTC derivatives. China Securities Capital, a wholly owned subsidiary of CITIC Futures, leveraged the risk management function of its OTC derivatives, helped enterprises cope with the price fluctuation risk by designing packaged plans for value protection, cost reduction and efficiency increase for many enterprises.
- Combine futures and cash business to better serve enterprises. CITIC Futures successfully launched a number of businesses such as the first batch of standard warehouse receipts, the first transaction closing, the first non-standard futures-to-cash business, the first batch of option market making, and the first basis trade

Provide advice and suggestions through multiple channels to promote the green finance development in the futures market

- Continue to demonstrate new product varieties and tools to actively contribute CITIC’s wisdom. From 2023 to 2024, CITIC Futures, Fudan University, State Grid Zhejiang Electric Power Ningbo Company and other companies jointly applied for the joint research programme of China Futures Association. With hydrogen energy, the key energy in the energy transformation as the entry point, the programme discussed forward-looking issues such as how to improve the effectiveness of the hydrogen spot market and the feasibility of introducing hydrogen futures.
- Build a communication platform between enterprises and exchanges around green futures varieties. In September 2024, CITIC Futures held a closed door forum in conjunction with Guangzhou Futures Exchange, the Department of Industry and Information Technology and enterprise representatives, titled “Discussion on current risk management model of lithium battery enterprises”, discussing enterprises’ risk management concerns and problems faced in transaction closing.

Equity Derivatives Business

CITIC Securities assesses high-quality listed targets registered in China across the industrial manufacturing, semiconductor, new energy, environmental protection and other industries, focusing on the industry outlook, fundamentals and performance, market liquidity and other factors, and recommends them to domestic and foreign investors, which guides capital to green industries. As at the end of 2024, under the recommendation of CITIC Securities, a total notional principal amounting to RMB25 billion has been invested in domestic and overseas listed companies registered in China with technology and green themes or related stock indexes.

Case

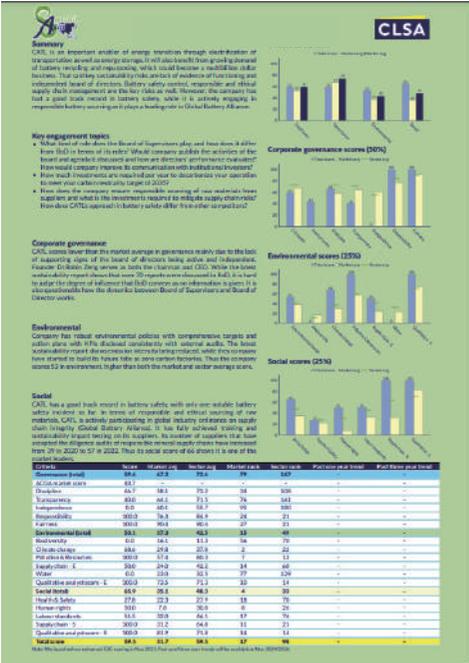
Innovate the Yangtze River Delta Green Finance Index to Increase Finance Support for Green

In 2024, CITIC Securities cooperated with a bank to establish the Yangtze River Delta Green Finance Index. The index contains green finance-themed stocks in the Yangtze River Delta with good fundamentals, China's 10-year treasury bonds, gold and green finance-themed agricultural products and commodities, and helps investors support green finance and obtain stable returns through asset allocation. In this cooperation, CITIC Securities leveraged its advantages in asset allocation, investment transaction and risk management, promoted the development of ESG investment philosophy in the fields of resident asset allocation and wealth management, and explored a new cooperation model between bank and securities institution.

Sustainability Research

CITIC Securities continued to optimise the ESG research system. It has established multiple in-depth thematic research series, including ESG rating system, ESG investment strategy, ESG enterprise services, and ESG monitoring, and built a multi-dimensional research system covering policy interpretation of green finance, strategic development of ESG investment, development trend of green industry, and optimisation path for ESG governance. In 2024, the Company's Research Department released a total of 46 ESG/green and low-carbon related reports, and launched industry specific ESG evaluation systems for 16 industries, including consumer electronics, semiconductors, new energy vehicles, securities and communications, effectively helping public funds, wealth management and other asset management institutions develop ESG evaluation systems and investment strategies, and promoting the prosperity and development of the green finance market.

CITIC Securities International set up an Asian research group on sustainability. In 2024, the Sustain Asia Infosheet was launched. CITIC Securities International requires analysts to prepare the Sustain Asia Infosheet in the first coverage and in-depth report of listed companies. The content should include the overview of sustainability and ESG performance of the company, and three sustainability themes which analysts believe have the most financial significance to the company. In 2024, analysts of CITIC Securities International prepared Sustain Asia Infosheet for nearly 1,200 covered companies, and issued 235 sustainability research reports and over 1,400 research products.



2.2 Actively Addressing Climate Change

CITIC Securities incorporates climate change into its risk management system to further understand and more effectively manage environmental risks in business development and operations, and seize the opportunities brought by environmental risks.

Climate Change Risk Management

The Company incorporates climate change into its risk management system to further understand and manage environmental risks during business and operations and grasp opportunities therefrom. With reference to the disclosure framework of the Task Force on Climate-Related Financial Disclosures (TCFD), we, at the company level, actively identify, assess and manage the impact of climate change-related physical and transition risks for our operations and businesses. We assess the potential financial impact of identified key risks and opportunities and conduct the risk management and strategic planning in active response to climate change.

Governance	<ul style="list-style-type: none"> • The Board of Directors Development Strategy and the ESG Committee oversee the climate risks including, management approaches, policies, strategies, targets, risks, opportunities, action plans, and other major decisions. • Relevant functional departments implement specific works on addressing climate change.
Strategy	<ul style="list-style-type: none"> • Continuously identify the short-term, medium-term, and long-term climate change impacts on Company's operations and business, and comprehensively consider the countermeasures in Company's development strategies. Support low-carbon development and promote low-carbon transformation by practising low-carbon operations and leveraging capabilities and resources in business areas.
Risk Management	<ul style="list-style-type: none"> • Identify and assess the major risks and opportunities posed by climate change to the Company's operations and business with reference to the TCFD framework, develop relevant management response mechanism
Metrics and Targets	<ul style="list-style-type: none"> • Disclose greenhouse gases emissions data and main works and achievements in the green finance sector. Set corresponding metrics and targets for major climate risk and opportunities, including business and daily operation, to demonstrate the Company's energy-saving and carbon-control measures and achievements.

Identification of Risks and Opportunities

Risk	Description	Impact Cycle	Potential Financial Impact	Responses
Acute physical risk	The Company, its customers and the physical operating units of which the investment is made may be exposed to property losses or operational disruptions due to extreme weather events such as typhoons, floods, storms.	Short-term	Depreciation of fixed assets Decrease in portfolio value Decrease in operating income Increase in credit risk	
Chronic physical risk	<p>Factors such as rising sea levels and increasingly extreme weather have a greater impact on specific sectors related to physical assets or natural resources, including the real estate, transportation, energy, forestry, agriculture and tourism, which may cause increased costs and disruption of services in these sectors, leading to an increased probability of default.</p> <p>The possibility of climate disaster increases as the climate change intensifies, which may also affect the market valuation of some clients and investment targets.</p>	Mid-term Long-term	<p>Increase in operating cost Decrease in portfolio value Increase in credit risk Change in income structure</p>	Strengthen risk prevention measures against extreme climate disasters and conduct training on emergency rescue capabilities.
Policy and regulatory risk	<p>The operation of the Company, clients and investment targets can be affected by the formulation and release of environmental- and climate-related policies and regulations. Traditional industries such as steel, petrochemistry, thermal power, etc., may face the risks of increase in operation costs and deterioration of financial situation.</p> <p>The Company, its customers and investment targets may be subject to legal liability, regulatory measures, disciplinary punishment, property losses or business reputation losses due to non-compliance with climate-related policies or laws.</p>	Mid-term Long-term	<p>Decrease in portfolio value Increase in credit risk Decrease in operating income</p>	Combined with regulatory requirements, pay attention on the external environmental impact on enterprises during the process of production and operation, focus on the environmental risk score of the projects in areas with high environmental risk in due diligence, and strengthen credit risk management.

Risk	Description	Impact Cycle	Potential Financial Impact	Responses
<p>Market risk</p>	<p>The market preference may shift due to the policies of low-carbon transitions, causing capital to flow out from the carbon-intensive sectors into low carbon sectors. Due to the structure change of market supply and demand, the Company, its customers and investment targets may face business risks such as lower product prices, rising raw material prices, and products that cannot meet the market demand. If customers and investment targets in "high pollution, high energy cost and resource consuming" industries and traditional high-emission industry fail to achieve low-carbon transformation, it will lead to losses in corporate capital and income and affect the interests of investors and creditors.</p>	<p>Short-term Mid-term Long-term</p>	<p>Depreciation of fixed assets Increase in credit risk Decrease in portfolio value</p>	<p>Consistently reinforce the management in climate change, environmental and social risk, incorporate ESG into decision-making investment system, and precisely grasp the risks and opportunities under ESG scope.</p>
<p>Reputation risk</p>	<p>As the society's concern about topics related to climate change and low carbon gradually increase, failure to meet stakeholder expectations may lead to the impact on Company's reputation, thereby affecting the Company's income and development, institutional rating results and the public credibility.</p>	<p>Short-term Mid-term Long-term</p>	<p>Decrease in operating income Downgrade of related ratings Decrease in brand value Loss of investors' confidence</p>	<p>Promote and participate in green finance innovation, focus on industries related to clean energy, and use capital allocation to guide the transformation of industrial and energy structures into low carbon structure.</p>
<p>Technology risk</p>	<p>Energy-saving and environmental protective technology, such as renewable energy, new energy, etc., may achieve major breakthroughs due to the market transition to low-emission technologies. Therefore, traditional energy and production technology may be gradually eliminated, resulting in adverse impact on debt-paying ability and market valuation of the customers and investment targets with limited ability to upgrade technology.</p>	<p>Short-term Mid-term Long-term</p>	<p>Decrease in operating income Increase in credit risk Decrease in portfolio value</p>	<p>Promote and participate in green finance innovation, focus on industries related to clean energy, and use capital allocation to guide the transformation of industrial and energy structures into low carbon structure.</p>

Risk	Description	Impact Cycle	Potential Financial Impact	Responses
<p>Market Opportunities</p>	<p>In order to implement the major development decisions of national "dual carbon", relevant policies, such as carbon neutralisation, climate change investment and financing, etc., have been introduced in succession, which served as guidance for green finance business and market, and brought new development opportunities for the Company.</p> <p>The Company expands new potential to growth and supports customers' sustainable and low-carbon transformation by focusing on climate-friendly products and services to conduct business, researching and innovating climate-friendly products, actively developing green finance businesses such as green bonds, green equity financing, and green asset-backed securities, and providing financial services to customers in green industries such as environmental protection, energy conservation and clean energy.</p>	<p>Short-term Mid-term Long-term</p>	<p>Increase in operating income Increase in portfolio value</p>	<p>Actively promote and participate in sustainable finance innovation, and guide the transformation of industrial structure and energy structure to green and low carbon with capital allocation.</p> <p>Support domestic and international green industry equity financing and ESG-related product underwriting, continue to expand the scale of green bonds, and strengthen the innovation of products and services.</p>
<p>Adaptability</p>	<p>Keep up with the progress of global climate-related policies and development, increase the exchange and communication of climate-related risks and opportunities between industries, analyse the degree of market cooperation with policies such as carbon neutrality, carbon peaking, and green finance, and provide investors with reliable products and services.</p>	<p>Mid-term Long-term</p>	<p>Increase in reputation and influence Increase in operating income</p>	<p>Actively participate in carbon trading, market industry exchanges and cooperation, and standard formulation.</p> <p>Publish ESG investment related research reports, hold sustainability forums, etc., and strengthen ESG research and industry exchanges.</p>
<p>Enhanced efficiency of resources</p>	<p>Promoting energy conservation and emission reduction by building green office areas/ data centres, improving resources and energy efficiency, and implementing paperless office, which help to reduce operating costs.</p>	<p>Short-term Mid-term Long-term</p>	<p>Decrease in operating costs</p>	<p>Procure clean energy and expand the percentage of clean energy use.</p>

CITIC Securities studies regulatory requirements and industry standards related to climate risk stress testing at home and abroad, evaluates and analyses the applicability of external experience of climate risk management in securities companies, explores the risk transmission path of potential impacts of climate change on securities companies, preliminarily designs climate risk stress scenarios, and includes climate risk factors into comprehensive stress testing factors.

Case In-depth Research on Climate Change and Energy Transition

In 2024, CITIC Securities International's Asian Research Group on Sustainability incorporated climate change risks and opportunities into the analyst valuation system, and successively included climate physical risks, transformation risks, battery recycling and other considerations into the valuation model in their in-depth reports on the battery industry chain, natural gas industry and other topics. At the same time, it organised and carried out energy transformation visits, requiring investors of overseas funds to visit listed companies related to China's energy transformation, and have in-depth exchanges with experts in the energy industry, which helps overseas investors understand China's energy transformation process.

Case Improving the Research on Climate Risk Methodology

In 2024, ChinaAMC developed a climate risk analysis framework to systematically assess the climate transition risks and climate physical risks of the invested companies.

- In terms of transformation risks: key indicators include total carbon emissions, carbon emission intensity, management measures, management effects, policy pressure, transformation difficulty, long-term demand. The company also analysed the impact of transformation risks on the company's value based on different scenarios.
- In terms of physical risks: Based on the company's business characteristics, focusing on several types of climate disasters most relevant to the company's business, we investigate the direct impact of extreme weather on fixed assets, the direct and indirect impact thereof on business operations, and describe the climate physical risks faced by the company in terms of income and expense.

Metrics and Targets

Based on the Company's statistics on historical data, our carbon emissions during operation mainly come from electricity use. The transition to renewable energy plays an important role in reducing our greenhouse gas emissions. During the year, the Company's carbon emissions were as follows.

Scope 1	Scope 2	Greenhouse gases (GHG) emissions per square meter
1,264.64 (tCO ₂ e)	26,101.41 (tCO ₂ e)	0.15 (tCO ₂ e /office area)

2.3 Promoting Green and Low-carbon Operations

CITIC Securities strictly abides by the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, and is committed to reducing the consumption of natural resources and its impact on the environment.

In January 2024, the Company participated in the first round of national voluntary greenhouse gas emissions reduction transactions, purchasing 5,000 tonnes of China Certified Emission Reduction (CCER) for offsetting carbon emissions from the Company's daily operations from 2024 onward.

Resource Usage

In 2024, CITIC Securities carried out a number of energy conservation, emissions reduction, and environmental protection activities in its daily operations.

Public area



Air conditioning system upgrade

In 2024, the Company completed the technical transformation of the central air conditioning system of the Beijing Head Office to improve the operating efficiency of the equipment. It is expected that the energy saving rate for cooling can reach more than 20% after the transformation.

VRV air conditioners were installed on certain floors to reduce the operating time of the building's refrigeration units and save power consumption for cooling.

The water supply pipe valves in the high and low areas of the building's air conditioning system were rebuilt to reduce energy consumption through delaying heating in the high areas and delaying cooling in the low areas.



Lighting

The lighting management of the Beijing Head Office building was strengthened, and the total power consumption decreased by about 3% year-on-year through measures such as using a building control system to automatically turn off lighting and fan equipment within a specific time range, renovating LED lighting in public areas, and increasing manual patrol inspections to turn off lighting and equipment.



Building materials

In construction projects such as the restaurant expansion, the Company actively uses sustainable building materials to reduce the consumption of natural resources and the use of non-renewable resources such as stone.

Promoted the "recycling materials" policy and encourage the re-use of waste materials or recyclable materials in decoration, renovation and other projects.

Canteen



Gas

Changed cooking utensils in certain restaurants of Beijing Head Office from gas to electricity.



Lighting

Power consumption management was strengthened in existing restaurants, requiring that power should be turned off after use and all power except for emergency lights should be turned off after the close of canteen.

Business travel



Encourage online meetings and promote commuting by public transportation

Encourage employees to use public transport resources to reduce the use of business vehicles.

Reasonably dispatch vehicles, combine demand for official vehicles for the same destination, and save resources by carpooling.

Through statistics and analysis, calculate the maintenance costs and gasoline usage of business vehicles to improve the travel efficiency of business vehicles.



Optimise the vehicle energy statistics mechanism

Optimise the vehicle energy statistics mechanism, fully equip and upgrade the vehicle energy measurement instruments to ensure the accuracy and reliability of measurement data.

A GPS positioning system was installed to monitor the running status and energy consumption of vehicles in real time and provide accurate data supporting energy statistics.

Introduce an electronic accounting system to realise electronic storage and information management of account data.

Waste Management

CITIC Securities has constantly strengthened the management of all kinds of solid waste generated in its operations, strictly abides by relevant national laws and regulations in all aspects of storage, transportation and disposal, prevents and controls environmental pollution risks, and constantly improves the comprehensive utilisation efficiency of waste. The Company's waste mainly comprises office and general domestic waste. The Company carefully selects waste disposal service providers to ensure waste disposal is legal and does not cause secondary impacts on the environment. In 2024, the Company established a waste management account to record data of the production, recovery and disposal of waste, while conducting regular analyses and summaries.

The Company required 100% compliant disposal of hazardous waste. In 2024, all hazardous waste generated by the Company has been disposed in compliance with the regulations.

Garbage management in canteens

- The catering company cooperates with companies with professional waste disposal technologies, which have been registered in the street-level authority according to legal procedures.
- Kitchen waste generated in the canteens were separated into dry and wet according to the relevant national regulations, and packed separately under the recyclable and non-recyclable categories.



Reducing food waste



- Displayed dish-clearing action posters in the dining area and the recycling tray area to encourage employees to reduce food waste.
- Paid attention to leftovers in the return area, learned about the reasons for employees' leftovers, and adjusted the cooking method and tastes of dishes according to employees' feedback to reduce kitchen waste.
- Accurately evaluated the number of diners, prepared the cooking materials, and delivered meals as needed, provided scheduled meals and small meals, and set the purchase time for cooking materials according to their different attributes, so as to avoid inventory backlog and waste.
- Reused vegetable off-cuts to reduce dish costs and kitchen waste.

Pollutant Management

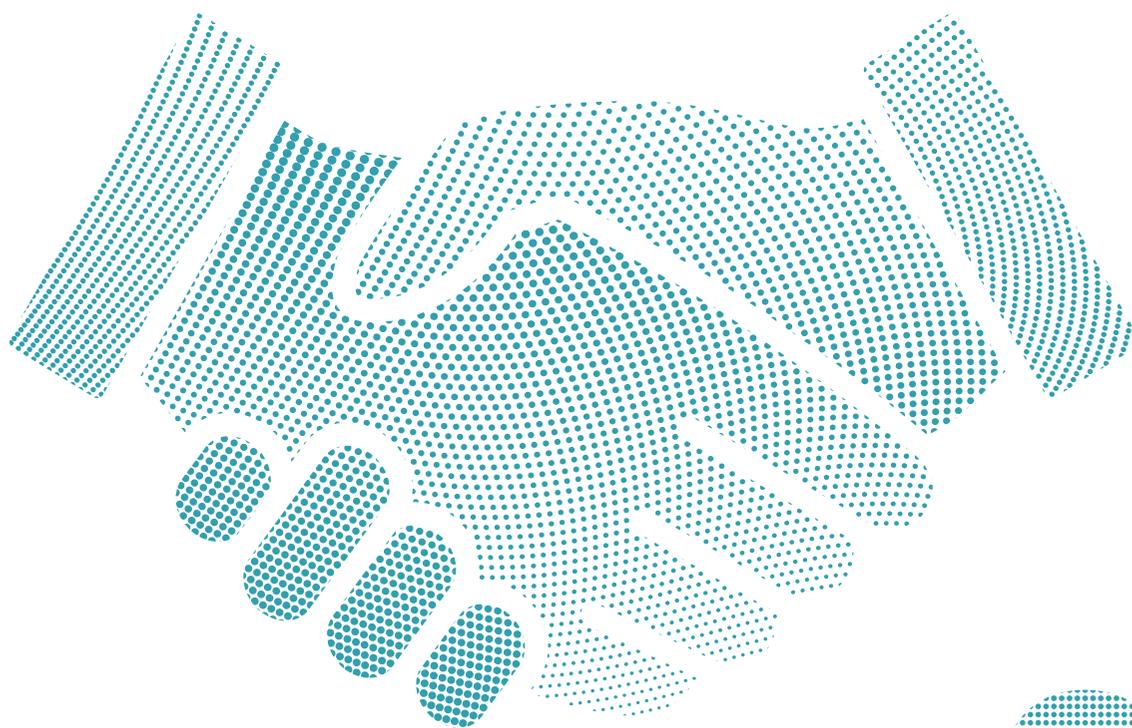
CITIC Securities strictly follows the requirements of the Law of the People's Republic of China on the Prevention and Control of Air Pollution and the Emissions Standards for Air Pollutants for the Catering Industry, and strictly manages air pollutants and wastewater discharged by the Company. In 2024, the Company upgraded the kitchen smoke exhaust and purification systems in two office areas, installed independent kitchen exhaust purification equipment, and discharged kitchen exhaust after purification to ensure the exhaust emissions met requirements. The Company installed two sets of grease separation equipment in the underground equipment room to treat wastewater from the staff canteen before discharge, ensuring discharges meet the underground urban wastewater discharge standards.

Water Resource Conservation

In 2024, CITIC Securities actively responded to the national call for water conservation by formulating and implementing water conservation and water recovery plans according to actual operations. The Company monitors the water use of the office building and regularly inspects water pipeline and equipment leakage for timely maintenance. In the kitchen area, kitchen water is recycled, with water management optimised to reduce water waste. The water purification machine in the Beijing Head Office building was reconstructed for wastewater recycling to achieve the re-use of water and improve the efficiency of water utility. In 2024, the total water consumption of the Beijing Head Office building decreased by around 5% compared with the previous year.

Improving Services to Boost Customer Trust

- PROTECTING CUSTOMER RIGHTS AND INTERESTS
- CREATE HIGH-QUALITY SERVICE EXPERIENCE
- CUSTOMER PRIVACY AND INFORMATION SECURITY
- PROMOTING INVESTOR EDUCATION



03

CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

Customer trust is the foundation of a company's survival and development, and providing high-quality products and services is the source of power for its sustainable development. CITIC Securities adheres to the principle of putting investors first and customers at the centre. On the basis of in-depth analysis of customer needs, it continues to focus on refined customer management, is optimising a digital management and operations platform relying on technology empowerment, is focused on improving the multi-level, personalised and all-asset customer service system, is consolidating and improving customer rights and interests, and is bringing customers a better service experience.

3.1 Protecting Customer Rights and Interests

CITIC Securities is committed to discovering and fulfilling customer needs throughout our service journey by leading the way to deliver professional values. The Company has comprehensively strengthened the protection of customer rights and interests through various measures such as deepening customer suitability management, product and service reviews, customer complaints and follow-up, and continuously safeguarding the legitimate rights and interests of financial consumers through upholding integrity and innovation.

Customer Suitability Management

CITIC Securities regards investor suitability management as a key task in implementing investor rights protection, strictly abides by the "Measures for the Suitability Management of Securities and Futures Investors", and effectively improves the customer suitability management system from aspects such as investor classification, product grading, standardised sales suitability management, and suitability management self-examination.

Optimise the Suitability Management System

- The Company revised the investor risk tolerance assessment questionnaire and adjusted some questions and scoring rules, striving to reflect investors' risk tolerance more reasonably and truthfully.
- The Company increased the cross-check of evaluation questionnaire questions to avoid inconsistencies in customer responses.
- The Company matched the sale of public funds to risk levels, and the criteria and requirements for the management of sales appropriateness were comprehensively improved.

Carry Out Self-Inspection of Suitability Management

- The Company continued to carry out self-inspection of suitability management in branches, requiring branches to submit self-inspection reports and implement rectification. The Company also selected some branches for on-site inspections.

Organise Special Training on Suitability Management

- The Company invited professional lawyers to carry out trainings on cutting-edge hot issues of investor appropriateness cases under the latest judicial policies and other related topics for relevant personnel of the headquarters and branches.

Product and Service Review

CITIC Securities has a Product Committee, which serves as the decision-making and management body for the evaluation of our new products and new businesses. It is responsible for guiding the internal control function and other relevant departments to carry out the evaluation of new products and new businesses, conducting strict prior review of matters relating to the protection of the rights and interests of financial consumers, promptly identifying and correcting problems in financial products and services that may harm the legitimate rights and interests of financial consumers, and issuing relevant approval opinions. The Product Committee also has a Product Planning Professional Committee, responsible for forward-looking work on potential new business opportunities, coordinating and cooperating with the development and promotion of new products and businesses.

The Company has established a regular tracking and evaluation mechanism for public fund managers who cooperate in the consignment sales. The Company conducts regular tracking of fund managers and temporarily suspends cooperation with new product launches for managers who receive regulatory attention or have abnormal corporate governance structures. The Company regularly assesses the product risk, and timely adjust products with problems.

In 2024, CITIC Securities had no safety and quality accidents related to financial products and services.

Customer Complaints

CITIC Securities attaches great importance to communication with customers, implementing complaint management requirements at all levels, consolidating the main responsibilities of each department, business line, and branch, effectively improving the complaint management system, actively addressing customer issues, and striving to enhance customer satisfaction.



Strengthen Assessment of Customer Complaints

The Company incorporated the details and number of customer complaints into the annual KPI assessment of each department and branch; for branch offices with frequent customer complaints, this will be considered in their annual KPI assessment and quarterly management effectiveness evaluation. Staff complained about by customers are disciplined in accordance with regulations and disciplines if the issues are found to be true.



Strengthen Training on Customer Complaints

The Company regularly organises complaint-related training for staff, including analysis of typical complaints, improvement of business skills, and the handling and reporting of complaints. The Company's training focuses on training new employees just graduated from school. They are required to strengthen the risk warnings and transaction reminders for investors in front-end processes such as opening privileges, business processing, and product sales, fulfil customer service responsibilities, and enhance employees' awareness of service and complaint handling.



Increased Monitoring and Analysis of Complaints

The Company strengthened the monitoring and analysis of the volume of complaints, the completion of complaints, and the efficiency of complaint handling, analysed the handling of customer complaints, urged each branch to strengthen the handling of customer complaints, and continued to follow up on unresolved complaints.



Improvement of Criteria for Customer Complaint Management

The Company actively implemented the Criteria for Handling Complaints of Securities Companies published by the Securities Association of China, adjusted the classification of complaints, refined the handling requirements, emphasising the necessity of documentation of customer complaint handling, and constantly improved the complaint handling process.



In 2024, in order to reduce complaints and disputes related to the setting of transaction commission, the Company further improved the commission confirmation function for investors to open online and offline Hong Kong Stock Connect, NEEQ, Beijing Stock Exchange, Science and Technology Innovation Board, GEM, and other common authorities, so as to ensure investors are clearly aware of the transaction commissions they need to pay for participating in new businesses.

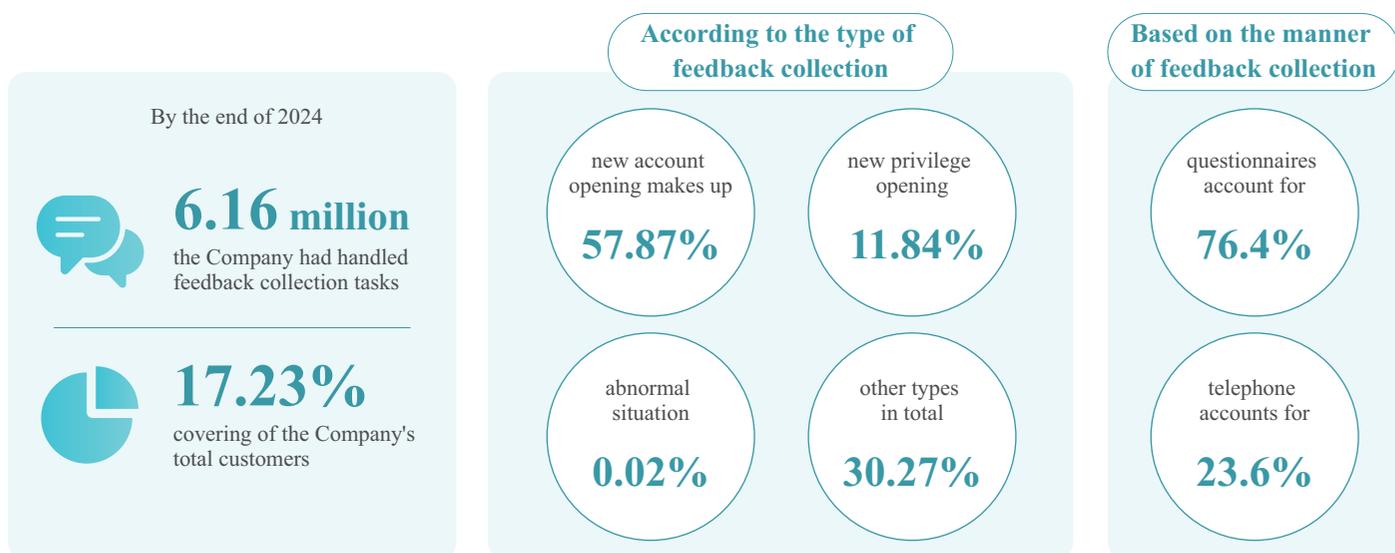
As of the end of 2024, the timely handling rate of complaints has reached 100%.

Collection of Customer Feedback

CITIC Securities collected customer feedback in the principle of attaching great importance, and being comprehensive and effective, to information security and risk prevention. The Company formulated a centralised customer contact centre to collect and handle problems reported in customer feedback. T the Company promptly escalated them to related departments or institutions for handling and resolution after receiving intent complaints from customers or determining that there were potential complaint risks, so as to resolve them before they occur.

According to different customer types and business requirements, the Company's feedback collection includes collecting feedback on new account opening, new trading privilege opening, abnormal situations, special feedback collection on brokerage relationship, feedback collection on special services, suitability, consignment financial products and existing customers. Feedback collection is mainly in the form of questionnaires and telephone calls.

2024 Customer Feedback Collection of CITIC Securities



Customer Satisfaction Survey

CITIC Securities receives customer inquiries about the securities business through the 95548 customer service system and online consulting platform. We answer all kinds of problems encountered by customers in the investment process.

In 2024, the Company continued to carry out and pay attention to customer satisfaction surveys for the online account opening business.

Customer Feedback Channels

- In response to customer telephone inquiries and online inquiries, the Company conducted 100% satisfaction surveys. At the end of business inquiries, the system automatically pushes out satisfaction survey invitations to collect customer evaluations of our answers to their inquiries.
- Customer Service Hotline accepts online account opening and business processing through the testimonial terminal as well as review terminal. 100% satisfaction surveys are conducted for customers who choose the two-way video service to collect their evaluation of our witnessing service.

2024 Satisfaction Rate



The Company paid close attention to the customer satisfaction performance of online account opening, conducted monthly satisfaction data analysis and continuously tracked and analysed the evaluation of general and unsatisfactory conditions. Through case reviews and analysis, the Company timely understands customer needs and expectations, summarises and extracts optimisation suggestions, provides feedback to corresponding departments, and continuously promotes the improvement of the customer experience by improving service capabilities and optimising business processes.

3.2 Create High-quality Service Experience

CITIC Securities continues to optimise its financial product system with multiple markets, multiple assets and multiple strategies. Through rich product and business scenarios, it supports investors' single product needs and portfolio allocation needs and is committed to comprehensively optimising the customer service experience. The Company has built a cross regional, cross market, and cross asset category wealth management and comprehensive service platform, providing more diversified, personalised, and global asset allocation solutions for high-net-worth clients and institutional investors worldwide.

Optimise Product Service System

In 2024, based on meeting customers' product and portfolio allocation needs, CITIC Securities continued to optimise its product service system to provide customers with richer product allocation options.

Optimise the Product System

Establishing a three-tier selection system of "natural sales on a commission basis - centralised procurement – selected products " to improve the customer holding experience.

- Natural sales on a commission basis mainly meets customers' spontaneous diversified allocation needs, highlighting the "diversity and comprehensiveness". On the basis that managers meet the basic criteria, they introduce various strategy funds that can be sold on a commission basis.
- Based on macro-market changes and meso-industry trends, and combined with the customer retention structure, the Company introduced various strategy funds as centralised procurement products, mainly to meet the specific asset management needs of customers.
- Selected products are selected based on two factors: product performance and the customer holding experience. Funds with a good performance and excellent holding experience in various strategy funds are selected to provide customers with products that can be held stably in the medium and long term.

Buyer's Investment Advisor

For special account business at the highest level, R2, R3, R4, R5 series products with different risk levels were launched to satisfy more diversified allocation needs of our customers; non-managed investment consulting services were launched for the low starting point of fund investment consulting business based on well-established strategy to provide customers with high frequency standardised and personalised services.

Wealth Management Services

Wealth management services had been comprehensively optimised and upgraded, forming a one-stop wealth management solution covering a full spectrum of customers, including customised special accounts, family trusts, FoF, investment advisory business, etc. By using scientific and rational allocation methods, we help clients construct portfolios through low correlations between assets such as stocks, bonds, and commodities to effectively diversify and smooth fluctuations, achieving long-term better risk return cost-effectiveness.

Improve the Business Processes

In 2024, CITIC Securities focused on providing customers with high-quality, comprehensive, and professional services, and strived to promote service standardisation. We launched the Knowledge Library System of the Wealth Management Committee, and continuously updated various business systems and process guidelines to provide a basis for the standardised management of customer online and offline service processes and outlet services, so as to effectively improve our service level.

Online Services

- The “Xin E Tou” APP version 6.0 was launched to optimised the online business process, and created a one-stop "palm business hall".
- We are continuously exploring institutional service capabilities, enhanced the service capabilities of various trading systems such as CATS, PB and self-built ones, and created an "IDEAL" institutional comprehensive wealth management platform.
- We supported the application of innovative technologies to strengthen data strategy research and development, built precise big data models to effectively support business scenarios.
- We improved intelligent services in business, developed a globally integrated AI wealth management display platform - wealth assistant.

Offline Services

We continuously collect opinions and suggestions from customers and counter personnel, quickly respond in optimising all kinds of business processes in a timely manner, focus on increasing the number of customer accounts opened in batches, batch privilege openings, optimising the information filing function of product account managers, and improved our customer care service in offline organs by serving with a warm heart.

Adaptation for the Elderly

The Company listened to the needs of the elderly customer group, made efforts to optimise their experience, and focused on optimising the CITIC Securities e-investment APP in response to the difficulties of some of the elderly customers in the use of smartphone technology. We combined in depth the specific operating habits of the elderly users and provided the elderly users with more comprehensive, attentive, and direct facilitation services.



Interface Optimisation

In order to facilitate the reading process of elderly users, we further optimised the interface details on the basis of providing candlestick chart enlargement, cell phone screen horizontal display, and other features, to facilitate the user experience when executing trading, using self-service, and reading industry news.



Audio Broadcasts

With the introduction and optimisation of an audio broadcast function, elderly users and visually impaired people can understand the information in the form of voice playback. We also launched special audio-video columns, such as "Bring You to Know the Fund Managers" and "Three Minutes to Read and Understand the Listed Companies" to effectively assist users with reading difficulties.



Voice Customer Service

In order to solve the problem of elderly and visually impaired user typing difficulties, we provided an intelligent voice service, which can communicate with customer service by voice message, quickly reaching the business needs and solving the problems encountered in the use of software.



Video Service

We optimised the live video channel, integrating all kinds of financial video live columns in the APP and optimising the audio-visual experience of elderly users.



Operating Guide

We upgraded the operating guide of the e-investment APP to provide guidance for elderly users on using the elderly-adapted version more easily and provided a visual-friendly portal to the "elderly-adapted" version, allowing users to switch to the elderly-adapted interface with a single click.

Innovative Smart Financial Experience

The Company focused on technological innovation, paid attention to customer needs, flexibly utilised various technological means, continuously optimised and updated the system architecture, and improved the capabilities of various trading systems from multiple aspects such as transaction speed, system capacity, business functions, professionalism, and customer experience. It continued to promote the refinement, automation, and intelligence level of the Company's various businesses, enriching and improving the functions of various customer applications, fully supporting business development and meeting their new needs.

Technological Innovation	CITIC e-Investment APP uses cutting-edge technologies such as big data and AI algorithms to build an intelligent integrated online service system and provide customers with comprehensive digital services.
Service Innovation	Through continuous iteration and upgrading, the e-investment APP provides users with diversified wealth allocation solutions.
Improvement of Use Efficiency	The Company optimised the online business process and created a one-stop "mobile business hall". In 2024, the monthly average amount of off-site business handled by the Company keeps growing.

3.3 Customer Privacy and Information Security

CITIC Securities continuously is strengthening its security management system, improving its security management system, and ensuring the implementation of the network security responsibility system in accordance with national laws and regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, the Security Protection Requirements for Key Information Infrastructure, and the Basic Requirements for Network Security Level Protection of the Securities and Futures Industry.

In 2024, the Company revised the "Implementation Rules for Data Security Management of CITIC Securities" and the "Management Measures for Personal Information Protection of CITIC Securities" to further optimise the data security management system and enhance the implementability of the system. At the same time, the Company carried out special work such as cross-border data declarations, the signing of personal information cross-border flow standard contracts in the Guangdong Hong Kong Macao Greater Bay Area, stock takes and classification of enterprise data assets, identification of important data, and APP privacy protection, comprehensively improving the effectiveness of information security and privacy protection.

Data and Information Security

CITIC Securities conducted a comprehensive analysis of the data carried by the system based on the “Guidelines for Classification, Grading, Identification and Certification of Data Security in the Securities and Futures Industry” and established a directory of important data for the Company. In 2024, the Company focused on improving its data security protection technology system and daily operational capabilities. Through special tests, high-risk data security risks were identified and the coverage of data security technology tools was increased. The outsourcing data security risks were addressed through "zero trust" and "sandbox technology".. The virtual desktop infrastructure data security capabilities were optimised, and database processing platform testing was carried out, and the database audit covered "Information Security Grading Protection Level 2 and 3" systems. The Company defined the process of “information security risk troubleshooting” and established a reporting and feedback mechanism for vulnerabilities. In response to potential information security impacts and hazards, the Company has taken many proactive defence measures.

<p>Firewall Configuration and Update</p>	<p>The Company deployed a next generation firewall in front of the enterprise network boundary and key servers; it also developed strict access control policies according to business requirements to restrict unnecessary external access, especially access to personal sensitive information; Special cloud and local WEB application firewalls were deployed; the Company regularly reviewed firewall logs, identified and blocked abnormal traffic patterns, and timely updated the firewall rule-base to prevent emerging threats.</p>
<p>Multi Factor Authentication</p>	<p>The Company enabled multi-factor authentication for all accounts accessing sensitive data or key systems, and improved the security of accounts by combining password, biometrics (such as fingerprint, facial recognition), mobile phone verification codes, and other verification methods. It also regularly evaluated the effectiveness of the multi-factor strategy and adjusted the authentication method according to technical development or user feedback.</p>
<p>Risk Awareness and Training</p>	<p>The Company organised regular network security protection training to enhance employees' awareness of the importance of network security protection and teach them basic skills, such as identifying fishing emails and malicious software. By simulating network attacks and important data leakage events, the staff's coping ability was tested, and practical training strengthened.</p>
<p>Suspicious Event Reporting Mechanism</p>	<p>Through continuous security monitoring mechanisms, suspicious incidents of potential important data leaks can be detected in a timely manner, and risk investigation, disposal, and reporting work can be initiated to achieve closed-loop management of security incidents.</p>
<p>Performance Evaluation and Incentive Mechanism</p>	<p>The Company conducted performance evaluations on the fulfilment of security protection responsibilities by information technology personnel and actively promoted the implementation of the network security responsibility system.</p>
<p>Emergency Response</p>	<p>The Company developed an emergency response plan for the leakage of important data from the information system, and to deal with security events in a timely manner, including event location, event analysis, event handling, and subsequent optimisation.</p>

Information Security Certification

- The Company has been certified under the ISO 27001 standards for information security management, effective until November 2025. The certification covers information system development, construction, maintenance and management in connection with the Company’s securities business.
- Information security level protection is evaluated annually, with goods results achieved so far.

Information Security Audit

- An external information technology audit is conducted every year. In 2024, an audit was performed by an independent third party, which covered information technology governance, information system management and control, and information system application control.
- The Company carries out a comprehensive IT audit every three years. In 2024, an independent third party was hired to conduct a comprehensive IT audit. The audit covered information technology governance, risk compliance management, information system security, operation and maintenance management, data management, emergency management, and information technology service organisation management.
- In 2024, the Company completed the annual special internal audit of information security management, log management, and emergency management were carried out.

Case

"Protect the Net 2024" Information Security Emergency Drill

The Company actively investigated various risks and hidden dangers by engaging external professional institutions to carry out special audits of information system security operations, special security inspections, and subsequent rectification of all computer rooms of the company. The Company organised and completed several emergency drills and business continuity drills and improved its information system operations and maintenance support capability as a whole. In 2024, CITIC Securities carried out eight emergency drills on information security.

Privacy Policy and Protection

CITIC Securities attaches great importance to the rights and interests of personal information and has formulated the "Trial Measures for the Protection of Personal Information of CITIC Securities Co., Ltd.", and which clarifies the requirements for protecting customer privacy and customers can access, correct, and delete personal data information. In 2024, the Company revised the "Management Measures for Personal Information Protection of CITIC Securities", and publicly released the "Privacy Protection Clause of CITIC Securities Co., Ltd." to proactively inform customers of the collection, storage and use of personal information, as well as the rights of customers. The privacy policy applies to various products or services provided by CITIC Securities. The Company promises our customers that we will take appropriate security measures to protect their personal information in accordance with well-established security standards in the industry.



Scan to learn about CITIC Securities' "Privacy Policy".

In 2024, the Company had not experienced any data security incidents or incidents of customer privacy breaches during the year.

Personal Information Protection Framework

- The Company established an organisational structure for the protection of personal information and conducted impact assessments of personal information security with respect to the collection, use, sharing and entrusted processing of personal information.
- As the person-in-charge of personal information protection, representatives of the Company's management supervise the activities of personal information handling and the protection measures taken.
- In accordance with the principle of "Whoever Handles It Is Responsible", the department responsible for the handling of personal information is clearly defined as the first person responsible for the handling of personal information.

Principles of Personal Information Protection

- The principle of consistency between authority and responsibility
- The principle of clarity of purpose
- The principle of opt-in consent
- The principle of minimum necessity
- The principle of ensuring security
- The principle of subject participation

Matters Covered by the Privacy Policy

- How we collect and use information
- How we store and protect your personal information
- How we use your information
- Your rights
- Complaints, suggestions, how to contact us
- Application and updates of the Privacy Policy
- How we handle and protect minors' personal information
- How your information is transferred globally
- How we entrust the processing, sharing, transfer, public disclosure of your personal information
- How we use Cookie, Beacon, Proxy, etc.
- Description of the third-party SDK collection of information and responsibilities
- Keyword descriptions in the privacy policy

3.4 Promoting Investor Education

CITIC Securities is actively committed to implementing the requirements of regulators and disciplinary organisations, and has always adhered to the investor-oriented principle. It has established an interacting investor education service system among the "head office, branches and business units" to ensure investor education tasks are allocated to employees at all levels of the Company, so as to improve employees' investor education service capabilities, guide them to form a sense of ownership in investor education publicity, and eventually facilitate the cultivation of an investor education brand with CITIC characteristics that investors can trust.

Promoting the construction of investment education centres

CITIC Securities, relying on a number of investment education centres across the country, has carried out a variety of investor education activities by adhering to the spirit of ingenuity and introducing financial technology to empower the upgrading of investor education services.

01

Shandong investment education centre of CITIC Securities

Shandong investment education centre launched public welfare books on financial and business knowledge, together with related investor education products, such as financial education courses for young people, audio books, cartoons, and comics around the Children's View on the Economy, to comprehensively cover youth groups in the national investor education system.



Shandong investment education centre of CITIC Securities launches investor education products related to the Children's View on the Economy

02

South China investment education centre of CITIC Securities

South China investment education centre actively undertook the "Online Health Run for Publicity on Preventing Illegal Securities" activity, initiated by the Securities Association of China, to promote nationwide fitness and the popularisation of knowledge on preventing illegal securities.



South China investment education centre of CITIC Securities undertakes a health run activity on preventing illegal securities

03

Jiangsu investment education centre of CITIC Securities

Jiangsu investment education centre carried out a series of activities on "Investor education into enterprises · financial knowledge empowerment", helping build a communication channel between investors and enterprises, and enabling investors to understand the development trends in the industry and form a philosophy of value investments.



Jiangsu investment education centre of CITIC Securities launches a series of activities on "Investor education into enterprises · financial knowledge empowerment"

04

Hubei investment education centre of CITIC Securities

Hubei investment education centre carried out a series of activities on "Publicising financial knowledge in rural areas, promoting rural revitalization with investor education services", to improve the financial literacy of residents in poverty alleviation areas and remote villages by enriching financial services in rural areas.



Hubei investment education centre of CITIC Securities carries out a series of activities on "Publicising financial knowledge in rural areas, promoting rural revitalization with investor education services"

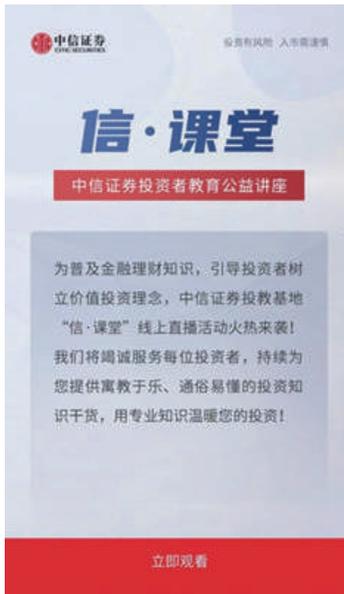
05

Tianjin investment education centre of CITIC Securities

Tianjin investment education centre carried out a series of activities on "Promoting investor education, delivering care and respect to the elderly" in nursing homes, to popularise financial knowledge for the elderly and enhance their anti-fraud awareness.



Tianjin investment education centre of CITIC Securities launches a series of activities on "Promoting investor education, delivering care and respect to the elderly" in nursing homes



“CITIC Classroom” publicity lectures themed on investor protection and education



Publicity poster of the live interview activity of "small letters have words"

In 2024, CITIC Securities held 143 "Trust · Classroom" series of public lectures on investor protection and education for public investors, spreading financial intelligence knowledge to investors and guiding investors to establish correct investment concepts.

The CITIC Securities Investment and Education Base closely followed the current hot topics and carried out the live interview activity of "small letters have words", which popularized the necessary knowledge of securities investment to investors in a relaxed and pleasant atmosphere in plain language.

Case

CITIC Securities Launched the Four-party Cooperation Projects of National Education



CITIC Securities actively promotes the integration of investor education into the national education system by continuously promoting the four-party cooperation projects signed with Tsinghua University and Qingdao University, to spread financial knowledge among college students through theoretical and practical activities.

Conducting financial security education

CITIC Securities carried out a series of financial security education activities around the themes of "preventing illegal securities", "preventing illegal fund-raising", and "preventing telecom fraud".

Special activities

During the "Publicity Month for Preventing Fraud Involving Counterfeit Securities Companies", the "March 15 Special Activity on Publicising Investor Protection and Education", the "May 15 National Investor and Protection Promotion Day", the "Publicity Month for Preventing Illegal Fund-raising", the "Publicity Month for Preventing Illegal securities", and the "Financial Education and Publicity Month", we timely issued special activity notices to branches, uniformly produced publicity materials, and arranged for branches to carry out investor education activities related to "prevention of illegal fund-raising and securities and anti-fraud" to deliver investor education knowledge to investors.

Online investor education

We fully utilised the WeChat public and video accounts of "CITIC Securities Investment Education Centre", our online investment education platform, to produce various forms of electronic courses on investor education, so as to continuously expand the scope of our investor education programmes, improve investors' risk prevention abilities, and guide them to establish rational investment awareness.



Shenzhen Branch participated in the 2nd Shenzhen Financial Education Publicity Event



Rui'an Gongruishan Road Securities Business Unit, together with Ant Financial Education Centre, carried out investor education activities themed "Protecting consumers' rights and interests" for residents in the county.

Embracing Charity to Build a Better Community Together

- CONTINUOUSLY SUPPORTING RURAL REVITALIZATION
- COMMITTING TO PUBLIC WELFARE PROJECTS
- JOINTLY DRIVING A HEALTHY DEVELOPMENT OF THE INDUSTRY
- DEEPENING MUTUALLY BENEFICIAL PARTNERSHIPS

04

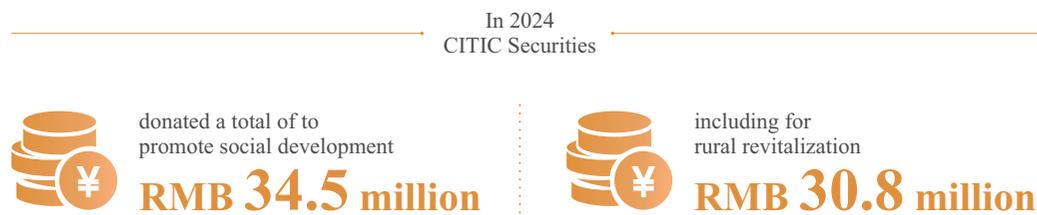
CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

CITIC Securities believes that enterprises, as an indispensable part of society, should fully participate in the construction of social welfare undertakings and industries and work with stakeholders to create a better social environment while striving to achieve economic, environmental and social values. CITIC Securities adheres to its core values of "integrity, innovation, excellence and sharing", fully assuming its social responsibility as a state-owned financial enterprise, and striving to promote rural revitalization using financial support. It consistently carries out practical activities for paired assistance and public welfare innovation, deepens cooperation with industries and partners for mutual benefit and win-win results, and actively contributes to building a harmonious, stable and better society.

4.1 Continuously Supporting Rural Revitalization

The strategy of rural revitalization is the general guiding rule for the tasks around "agriculture, rural areas and farmers" on China's new development journey. With a focus on key areas and parts of rural revitalization, and fully combining its professional advantages and resources, CITIC Securities improves its financial capabilities and service levels to promote rural revitalization by consolidating the achievements of paired assistance and continuously facilitating the building of a new rural revitalization pattern whereby agriculture sees high-quality and efficient development, villages boast of improved living conditions and employment opportunities, and farmers are rich and contented.



Integrating Financial Resources to Promote Industrial Development in Rural Areas

As an active response to the national call for supporting inclusive finance, CITIC Securities directs the flows of capital into rural revitalization areas and creates a characteristic investment and financing model based on local conditions by integrating bonds, equity, and other investment and financing channels, which tremendously facilitates the development of rural industries and meets the financial needs of farmers, so as to effectively promote the upgrading of rural industries and consolidate the achievements of poverty alleviation.

Financing

- By the end of 2024, the Company had underwritten bonds to promote rural revitalization, to support the development of agriculture, rural areas and farmers, or to modernise the old revolutionary base areas, with a financing scale of **RMB 9.733 billion**.
- The first green rural revitalization (rise of central China) bonds in China successfully issued to assist the construction of Haoji Railway.
- The first "carbon neutral + rural revitalization + high growth industrial bonds" in China issued to support the development of Eastern Airports Group Co., Ltd..

Investment

- By the end of 2024, the total amount of rural revitalization bonds that CITIC Securities participated in through its asset management business was over **RMB 7.0 billion**, covering thematic products such as special financial bonds for agriculture, rural areas and farmers, special bonds for urban and rural economic development, and special bonds for rural revitalization. The funds raised were mainly invested in construction and renovation projects such as agricultural product distribution centres and county highways, to facilitate the circulation of agricultural products and other resources, and accelerate the process of urban-rural integration.
- CITIC Securities Investment and GoldStone Investment supported rural revitalization through its equity investment business and invested and supported a number of enterprises involved in the chain of agricultural industries, with a focus on high-tech and green energy enterprises in the agricultural field.

Enhancing Paired Assistance to Release the Reform Potential of Rural Areas

CITIC Securities implemented the centralised deployment strategy of China Securities Regulatory Commission (CSRC), by actively responding to the call for the securities industry to assist rural areas featuring "one company for one county". Specifically, it continued its efforts to provide the "one company for one county" assistance in Yuanyang County, Yunnan Province, Jishishan County, Gansu Province, Pingbian County, Yunnan Province, Guyuan County, Hebei Province, Shenzha County, Xizang Autonomous Region, and other areas, striving to build a distinctive assistance system, help the paired counties cultivate new momentum for endogenous development, and tremendously promote the revitalisation and development of poverty alleviation areas.

Improving infrastructure in rural areas

In 2024, the Company donated RMB 12 million to Yuanyang County, Yunnan Province, and RMB 6 million to Shenzha County, Xizang, to facilitate the local areas' livelihood improvement, intellectual assistance, and construction of infrastructure and rural revitalization demonstration sites, as well as grass-roots party building.

Protecting against agriculture risks

From September to November 2024, the Company donated RMB 1 million to Lincheng County and Yangyuan County in Hebei Province to buy insurance to carry out the "insurance + futures" project.

Continuing efforts in consumption assistance

The Company actively carried out consumption assistance to promote the sales of agricultural products in the assisted areas. In 2024, it purchased agricultural and sideline products from Qianjiang District of Chongqing, Huichang County of Jiangxi, Jishishan County of Gansu, Xixi County of Shanxi, Shenzha County of Xizang, Yuanyang County and Pingbian County of Yunnan, and the "Three Regions and Three Prefectures", and other assisted areas, with a total amount of exceeding RMB 33 million.

Case CITIC Securities Continued Efforts on Promoting the Special Paired Assistance for Jishishan County

In 2024, CITIC Securities continued with its paired assistance efforts and fully implemented the "one company for one county" assistance policy in Jishishan County, Gansu Province, to promote the area's comprehensive revitalisation by working with other parties in various types of assistance, such as educational, industrial, and consumption assistance.

Caring event

To effectively improve the living and learning conditions of needy local students, the Company visited Gaoguan Junior High School in Jishishan County to carry out the caring event themed with "thrive with love and care ". During the event, we interacted with teachers and students from the school, carefully inquired about the physical and learning conditions of needy students, and donated 36 carefully selected washing machines to representatives of needy students.

Educational assistance

In 2023, after the magnitude 6.2 earthquake hit Jishishan County, the teaching buildings and playground of Gaoguan Middle School in Jishishan were damaged to some extent, seriously affecting the local educational and teaching conditions. After learning about the actual situation, CITIC Securities successively allocated RMB 2.1 million throughout 2024 to support Gaoguan Junior Middle School to upgrade its teaching buildings.

Consumption assistance

The Company clarified the focus of its assisting procurement with Jishishan County through investigations, field visits, and surveys, as well as product exchange forums with local farmers' service providers. Accordingly, it made larger procurements of speciality agricultural products such as rice noodles, fruit, spices, red rice, mutton, beef, etc., aiming to expand the market for local food specialities and boost local farmers' income growth. In February 2024, the Company launched a special assistance activity to promote consumption in Jishishan, with a consumption amount of RMB 2.32 million.

CITIC Futures has made intensive efforts in inclusive finance in various forms, such as joint Party building and paired assistance, mainly including financial assistance based on the "insurance + futures" model, and educational assistance, consumption assistance, industrial assistance, employment assistance, etc.

Accomplishments of paired assistance achieved by CITIC Futures in 2024

Consumption assistance



A total of **RMB 1.83 million**

was invested for procurement of agricultural products in Yanchang County, Shaanxi Province, Yuanyang County, Yunnan Province, and Qianjiang District, Chongqing, which boosted local farmers' income growth.

Industrial assistance



A total of **RMB 520,000**

was invested in to help the agricultural industry development in Yanchang County, Shaanxi Province, Huachuan County, Heilongjiang Province, Changyuan City, Henan Province, Congjiang County, Guizhou Province, and other rural areas.

Public welfare assistance



A total of around **RMB 1.01 million**

was invested for public welfare assistance, which were mainly used for student assistance in Yanchang, Shaanxi and Yujiang, Jiangxi, construction of a pension health industrial base in Lankao, Henan, streetlamp construction in Lichuan, Hubei, and Tangyuan, Heilongjiang, as well as post-disaster construction in Wenchang, Hainan, etc.

Promoting Income Growth and Rural Prosperity with the "Insurance + Futures" Model

Based on the "insurance + futures" model, CITIC Futures makes full use of its diversified financial resources to formulate financial solutions to better serve "agriculture, rural areas and farmers", by constantly enriching the varieties of financial services for pilot projects, optimising business models, and expanding the business coverage scope, which all help strengthen the resilience of the agricultural industries and play an active role in ensuring the stable income of farmers and promoting the revitalisation of rural industries.

By the end of 2024, CITIC Futures had carried out 107 "insurance + futures" related projects, covering 14 agricultural projects, with an investment of own funds amounting to about RMB 6.5 million, a value of insured goods amounting to RMB 2.02 billion, and completed insurance compensation amounting to about RMB 49 million, providing protection against price risks for 41,300 farmers, cooperatives, family farms, and agricultural enterprises in 61 counties and districts of 20 provinces, autonomous regions, municipalities directly under the central government. In 2024, CITIC Futures also continued to innovate new models and new financial service varieties such as "insurance + futures + N", seeking financial solutions to better serve agriculture, rural areas and farmers, and implemented a number of innovative projects.

Ensuring stable production and income growth for farmers with the "weather + derivatives" model

To address the adverse effects of frequent and repeated extreme weather events on the production of staple crops and the income of farmers, CITIC Futures, together with insurance companies, developed the "frost disaster index of staple crops" insurance to help farmers mitigate the adverse impact of extreme weather such as "return of cold spells in spring" on the flowering and heading of grain crops, and to make up for the subsequent yield loss caused by the frost disaster.

Curbing the price rise in plastic film to stabilise planting costs

Plastic film mulching is an essential means to ensure satisfying crop production. In April 2024, CITIC Futures and insurance companies jointly launched the first "insurance + futures" project on film prices in the Inner Mongolia Autonomous Region. The project, based on the price of plastic futures, underwrites the film used by farmers in agricultural production to help farmers fend off the risk of increased planting costs caused by rising film prices.

Case

CITIC Futures Facilitates the Implementation of China's First "Frost Disaster Index Insurance of Staple Crops + Derivatives" Project

In April 2024, the first frost disaster index insurance of staple crops in China, namely the "Central Meteorological Station - Dashangshuo Temperature Index" developed by CITIC Futures, was officially signed in Zhoukou, Henan Province. The underlying "frost disaster index" of the insurance and the corresponding OTC option products is based on the "Central Meteorological Station - Dashangshuo Temperature Index" issued by Dalian Commodity Exchange, specifically linked to the daily average temperature (DAT) index of Zhengzhou Station. During the operation of the project, growers purchase frost disaster index insurance from insurance companies, who sign OTC option contracts based on the frost disaster index with CITIC Futures. Should a frost disaster occur and the frost disaster index reach the agreed threshold, the insurance companies will compensate farmers according to the policy agreement, and CITIC Futures will help transfer risks through OTC option contracts based on the frost disaster index, so as to achieve mutually beneficial collaboration.

4.2 Committing to Public Welfare Projects

CITIC Securities continues to strengthen the cultivation of public welfare culture, persistently supports the development of education, and cares for special groups through innovative voluntary activities, aiming to play its role as a financial enterprise to deliver warmth and care to the society while realising its corporate value.

Supporting the Development of Education

Education is the foundation for national prosperity and the key to cultivating future talent. Over the years, CITIC Securities has been adhering to its mission of supporting education development. It cooperated with China Foundation for Rural Development to establish CITIC Securities Public Welfare Fund, and launched diversified educational assistance projects such as the "CITIC Teacher Improvement Plan" and the "CITIC Self-improvement Class Plan" in Yuanyang County, Yunnan Province, Jishishan County, Gansu Province, Guyuan County, Hebei Province, and other paired counties, which help allocate high-quality education resources to rural areas and key counties for national rural revitalization, and promote the cultivation of young talent.



The Company was acknowledged by the 2024 Rural Education Development Forum of China Foundation for Rural Development

Promoting self-improvement of teachers in rural areas

In March 2024, the Company, together with the China Foundation for Rural Development and CITIC Group, donated RMB 844,800 to support science education in primary schools in Lincheng County, Hebei Province and Yuanyang County, Yunnan Province to fund training science teachers in primary schools, providing teaching courseware, teaching materials and demonstration materials for teachers, science materials for students, and other curriculum supporting materials, as well as science drama exhibitions and scientific activities specially designed for students.

In November 2024, the Company invited the education assistance team from Beijing No. 4 Middle School to provide educational assistance to No. 1 Middle School of Yuanyang County. The team shared teaching experience with local teachers via renowned teachers' workshop and demonstration classes, and delivered enlightening lectures to local students.



Making continuous efforts on CITIC public welfare projects



Gaoguan Middle School in Jishishan of Gansu: The Company invested RMB 400,000 through the "CITIC Securities Public Welfare Fund", to subsidise 90 students at Gaoguan Middle School in Jishishan County and 30 graduates who had been enrolled by high schools.

Guyuan No. 1 Middle School of Hebei Province: The Company invested RMB 316,000 through the "CITIC Securities Public Welfare Fund", to support 300 students in Guyuan No. 1 Middle School.

Improving students' comprehensive literacy

The Company invested RMB 1.1 million through the "CITIC Securities Public Welfare Fund", to implement projects on "adolescent mental health" and "supporting school's cultivation of track- and field-gifted students" in Yuanyang No. 1 Middle School.

The "teenager mental health" project is aimed at promoting students' physical and mental health, helping them develop sound personalities, and assisting schools in improving their mental health education system by building mental houses, organising psychological screening activities, holding teacher selection and training, carrying out psychological classes, and implementing theme group counselling and individual counselling, etc.

The project "supporting school's cultivation of track- and field-gifted students" aims at providing special training and cultivation for students with track and field talent or potential. Specifically, we assisted schools in conducting teacher-empowerment training, formulating scientific and systematic training plans, and optimising schools' infrastructure and equipment related to track and field events, so as to discover and cultivate track- and field-gifted students, enabling them to achieve excellency in the field of sports.



Caring for Special Groups

CITIC CLSA Trust is an important platform and channel for the Company to carry out public welfare projects overseas. It enables us to provide financial and human resources support for vulnerable groups and communities, as well as subsidies to public welfare organisations in various fields with the core goals of poverty relief and education promotion.

Case Joining Hands to Care for Young People’s Mental Health



In February 2024, the "CITIC CLSA Trust Youth Mental Health Programme" was officially launched by CITIC CLSA Trust and Po Leung Kuk (a Hong Kong charity agency). With a focus on improving the mental health of young people in Hong Kong, the Programme is aimed at publicising mental health knowledge among young people aged 30 and below at various growth stages. By introducing multiple activities in schools and communities, it encourages young people’s engagement with "peers", so as to help them build an emotional support network and intervene in their emotional and mental health issues as early as possible. The Programme lasts for nearly 12 months, and the number of beneficiaries is expected to exceed 100,000.

- Corporate volunteer service: Corporate volunteers from CITIC Securities International participated with students in a series of activities such as the "music together" musical performance, and the "trouble free · help each other out" Finnish wooden chess experience, which were designed to help volunteers and students learn how to accept and coexist with different emotions.
- "Interactive sharing activities": We held "interactive sharing activities" in Hong Kong primary and secondary schools, so that participants can find the best way to get along with their "fellows" while enjoying, interacting with and delivering different forms of performance, and practice such "peer experience" in their daily lives.



Facilitating Cultural Exchange

In June 2024, the Company assisted CITIC Group with a donation of RMB 2 million to the Peking University Education Foundation, to support the Peking University delegation's visit to Belarus and the development and construction of the university's student art troupe. Such efforts help display Chinese culture and the spiritual demeanour of the Chinese youth, strengthen cultural understanding between the youth of the two countries, and promote their mutual development of higher education, by facilitating bilateral exchange and cooperation, and promoting international exchanges in the fields of arts and humanities between the two countries.

Committing to Volunteer Services

CITIC Securities actively organised young employees to participate in public welfare volunteering activities and encouraged them to engage in volunteer services to the best of their capabilities.

Case CITIC Securities Helps Students Pursue Their Dreams for a Brighter Future

In September 2024, CITIC Securities visited No. 1 Middle School (hereinafter referred to as Guyuan No. 1 Middle School) for the 13th consecutive year to carry out educational assistance. More than 30 young volunteers from the CITIC Securities head office and its subsidiaries participated in the educational assistance, and interacted with the assisted students in various cultural and sports activities to deeply understand the learning and living conditions of students in Guyuan No. 1 Middle School and to spread new knowledge and positive vibes with their own growing and learning experience.



4.3 Jointly Driving a Healthy Development of the Industry

The securities industry which goes hand in hand with the capital market has become a significant component of China’s financial system. In response to the Opinions on Strengthening the Supervision of Securities Companies and Public Funds and Accelerating the Construction of First-class Investment Banks and Investment Institutions (Trial), CITIC Securities has acted in line with the requirements for building a first-class investment bank and assumed our responsibilities for the industry. As we improve our strengths and global influence, we continue to conduct research and hold sessions to share our experience across the industry, and to grow and work together with all stakeholders to promote a high-quality development of the industry.

In 2024, the Company assisted: the Shanghai Stock Exchange and China Securities Association in providing special training on how to enhance ESG management for state-owned enterprises and the securities industry; the Ministry of Finance and the Beijing Municipal Commission of Development and Reform in providing comments on how to implement the sustainability disclosure standards and how to create a high-quality development plan for ESG practices in Beijing.

Case “Off to the races” — CITIC Securities held the 2025 Annual Conference for Capital Market

In November 2024, CITIC Securities held the 2025 Annual Conference for Capital Market in Shenzhen. With the theme “Off to the races,” speakers at the conference provided insights into the global financial market, macro-economic conditions and policies, investment strategies in A-share market, asset allocation for major categories, and development trends in various fields under the new patterns in the capital market, heading into the year 2025. More than 100 guests spoke at the conference, including top academics, subject-matter specialists, representatives of businesses and investment institutions, and members from CITIC Securities’ research team. They gave speeches on a variety of topics, including the role of financial market reform in supporting new quality productive forces, the current fiscal policy and tax reforms, the real estate market form, the status and development trends in AI in China, and the global impact of the tensions in the Middle East. The conference provided a platform for professional investment institutions and global market clients to engage and communicate with each other.



4.4 Deepening Mutually Beneficial Partnerships

CITIC Securities has maintained fairness, impartiality and transparency in our purchasing practices. In strictly following relevant national laws and regulations, including the Bidding Law of PRC, the Regulations for the Implementation of the Government Procurement Law, and the Interim Provisions on the Centralised Procurement Management of State-owned Financial Enterprises, the Company has put in place the Purchasing Policy, the Centralised Purchasing Catalogue and other documents. To ensure compliance and efficiency of our purchasing practices, we have built and maintained stable partnerships with suppliers based on the principles of integrity and trust.

Partnership based on integrity

- We have formulated and released the CITIC Securities' Code of Conduct for Suppliers, designed to deal with supplier management in various areas, including business ethics, environmental protection, and employee health and safety. We also require suppliers to formulate policies, codes of conduct, and procedures to prevent any form of bribery, corruption or fraud and ensure these policies and procedures are implemented. Every registered supplier is required to read and follow CITIC Securities' Code of Conduct for Suppliers, which is posted on the Company's supplier portal.
- We take measures to protect the rights and interests of suppliers, ensure a level playing field, and establish a response mechanism to complaints from every supplier. We take their feedback seriously, as we are committed to creating a transparent and open partnership so as to prevent business ethics risks and corruption.
- Every year, we conduct an annual supplier audit and prepare a supplier evaluation and management audit report, to demonstrate our overall audit and evaluation of supplier service throughout the year. The scope of evaluation includes supplier systems or product quality, delivery times, supply chain risks, information security, and other relevant areas.

Growing hand in hand

- We integrate ESG-related risk from across suppliers into our daily management process and facilitate suppliers to conduct purchases with less of a carbon footprint and negative environmental impact. We carry out always-on supplier management throughout their life cycle, from the selection, assessment, review and determination of suppliers, to ensure suppliers are being adequately selected, evaluated and removed.
- We carry out sustainability-related risk assessment across the supply chain and examine supplier performance from environmental and social aspects. We assess suppliers on product quality, service awareness, sustainability, and business ethics to identify supplier-related risk. Suppliers not meeting the Company's established criteria are removed, as we continue to expand and improve our supplier pool.

Equally Treating SMEs

As of 31 December 2024, the Company's accounts payable (including bills payable) did not exceed RMB 30 billion or accounted for more than 50% of total assets. And the Company had no overdue payments to SMEs without acceptable reason.

People — Growing with the Company

- PROMOTING DIVERSITY AND INCLUSION IN THE WORKPLACE
- PROMOTING AN ALL-ROUND DEVELOPMENT FOR EMPLOYEES
- CARING FOR THE HEALTHY LIFE OF EMPLOYEES



05

CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

As an old Chinese saying goes “only deep water can attract schools of fish, and luxuriant trees flocks of birds”. CITIC Securities believes that we should take solid measures to recruit, acquire, develop, and utilise talent, as human resources are the primary resource. We have deepened the reform of our talent development system by implementing a more responsive, open and effective people policy, and have improved our talent development programme to provide a strong talent pipeline for the high-quality development of the Company.

5.1 Promoting Diversity and Inclusion in the Workplace

CITIC Securities is committed to bringing diversity to its workforce and continues to adjust its people policy to create an open, inclusive, diverse and harmonious working environment. The Company has developed a workforce in accordance with laws and regulations and taken measures to protect the workforce’s rights and interests and improve its recruitment process, so as to promote company-wide innovation and growth.

Protecting Employees’ Rights and Interests

CITIC Securities strictly abides by the Labour Law of PRC, the Labour Contract Law of PRC, and other employment-related laws and regulations, and continues to improve its people policies, processes and procedures, including the Staff Handbook, Labour Contract Policy, Salary Policy, Experienced Hire Policy, Campus Recruitment Policy, Grade Policy, Performance Review Policy, and Allowances, Subsidies & Benefits Policy. The Company has appropriately protected employees’ rights and interests in paying salaries and social security and providing staff training in accordance with the above laws and regulations and internal documented policies.

Ensuring compliance in recruitment practice

- In addition to compliance with relevant labour laws and regulations, the Company also ensures that employees’ wishes are being respected throughout the recruitment process. The Company hires people based on the roles they are interested in, and signs a contract with prospective employees if they are so willing. A standard employment contract contains the employment details including employment commencement date, contract duration, place of work, etc. for the prospective employee to decide whether to accept and sign the contract. For potential candidates, the Company conducts a strict background check and terminates the contract in accordance with relevant laws and regulations if it identifies actual non-compliances of the candidates. In addition, the Company also respects and protects employees’ right to resign. The Company has never hired children or practised in any forced employment.

Ensuring equality in recruitment practice

- The Company maintains fairness and impartiality and conducts recruitment in an orderly manner in accordance with the Company’s Experienced Hire Policy, Campus Recruitment Policy, and other related policies. After candidates apply for a job on the Company’s website, the Company conducts a written examination and multiple rounds of interviews for candidates who are college graduates; for experienced hires, the Company, based on the candidates’ work experience, sets different tests in the interview to ensure the candidates recruited meet the relevant job requirements.
- The Company encourages the practice of attracting different types of talent and strictly prevents discrimination in employment. For job advertisements to be released, the Company conducts a strict review to avoid the use of discriminatory words; for internal recruitment posts, the Company provides employees from different departments with equal opportunities without setting any discriminatory thresholds, to ensure a fair environment within the Company.

Preventing Recruitment Scams

- The Company clearly states on its website where to find the Company’s recruitment and internship information, and provides a mailbox to report fake recruitment and internships, as a reminder for college students to stay alert to illegal intermediaries and for the public to report such intermediaries. The Company has posted an article entitled “Watch out for internship scams” on its recruitment account on Wechat, which summarises typical internship scams to alert college students.

Promoting Employee Diversity

- The Company recruits a variety of talent and shows care for minority groups. The Company sets up public welfare posts to provide employment opportunities for the disabled, provides employment opportunities for female candidates, ethnic minority candidates, and the disabled, and holds campus recruitment for ethnic minority universities to increase the employment of ethnic minority students.

Safeguarding Employees’ Working Hours and Leave

- The Company safeguards the employees’ lawful rights to work, get paid on time, and take rest and leave.

Increasing Employee Communication and Participation

- The Company adheres to a system of workers’ congresses and members’ congresses. In 2024, CITIC Securities held the 2nd session of the 4th members’ congress and the 3rd session of the 4th workers’ congress, which reviewed and approved the CITIC Securities’ Working System for Joint Sessions of the Workers’ Congress, the proposal to hold joint sessions to deal with relevant matters during the intersessional period of the workers’ congress in a timely manner, and another 4 key proposed policies in the immediate interests of employees, including the CITIC Securities’ Punishment Policy for Employees, to ensure employees’ right to be informed, participate, speak, and supervise on matters related to the development of the Company.



A scene from CITIC Securities’ 4th staff congress

Improving Talent Acquisition and Recruitment

CITIC Securities’ workforce structure has been optimised by hiring the right people. The Company’s recruitment process and experience continues to improve recruitment channels to expand to acquire and attract talent from campus recruitment and experienced hires. As campus recruitment serves as a main channel, the Company has enhanced its talent development capabilities, driving employment for domestic and foreign college graduates.

As of 31 December 2024, CITIC Securities had a total of 26,781 employees, with women accounting for 48.42%; employees holding a bachelor’s degree or above accounting for more than 94.90%; and employees holding a master’s degree or above accounting for more than 45.01%. Overall, this indicates that the Company has an appropriately young and well-qualified workforce.

Based on its business plan and workforce structure, CITIC Securities has enhanced workforce planning in key regions and in key business areas. Meanwhile, the Company has improved its talent recruitment and acquisition process to hire the right people.

<p>Assessment</p>	<ul style="list-style-type: none"> • Interview assessment tools have been improved, with an increased focus on job applicants’ proficiency in English. Given upgrades and improvements that have been made to the Company’s library of English interview questions and evaluation tools, combined with an established interview process and criteria for interviewer selection and training, and a team of foreign interviewers, job applicants are better assessed.
<p>Partnership with universities</p>	<ul style="list-style-type: none"> • We have extended our partnership with target universities and colleges, explored how to source our desired hires from leading universities, and engaged with domestic and foreign universities to lock-in outstanding college students before they graduate, with a focus on college students majoring in financial technology and those with a global mindset and knowledge in overseas banking operations and management.
<p>Background check</p>	<ul style="list-style-type: none"> • Background checks have been enhanced for prospective employees, including academic degree verification, file verification, association registration comparison, or a third-party background checks, etc; for management personnel and high-end talent we acquire; a reference check is conducted on their work ethics and integrity through telephone calls, correspondences, face-to-face interviews, file review, among others.

In 2024, the Company continued to acquire and hire outstanding individuals through multiple recruitment channels.

Recruitment channel	Key measures
<p>Campus recruitment</p>	<ul style="list-style-type: none"> • Corporate-college partnerships have been expanded among key universities at home and abroad to attract high-quality college graduates.
<p>Experienced hires</p>	<ul style="list-style-type: none"> • A variety of posts are open to experienced hires through a variety of recruitment channels. By encouraging employee referrals, releasing job information on recruitment websites, and using recruitment service providers, we delivered active employment signals and created a fair employment environment.
<p>Specialised talent recruitment / the Code & Quant training camp</p>	<ul style="list-style-type: none"> • To enhance connectivity between fintech resources in Shenzhen and Hong Kong SAR, and to propel the development of technology finance, green finance, and digital finance, since H2 2023, we have carried out a specialised recruitment plan, the “Hong Kong Digital Talent Programme” for fintech professionals in Shenzhen, to increase our fintech layout in the Greater Bay Area. • We held a training camp called “Code & Quant” for college students at home and abroad interested in working in the securities industry. This training camp served not only as a centralised platform for college students to gain work experience through trade simulation, but also as a pool of potential digital finance talent with expertise in technology for the Company and the industry as a whole. Nearly 500 college students participated in the training camp, with 19 winning at the end. For the 19 winners, we provide support for when they subsequently seek for a job, internship opportunities, and career advice.

Recruitment channel	Key measures
<p>Internship programmes for college students from Hong Kong SAR, Macao SAR Taiwan Province</p>	<ul style="list-style-type: none"> • We offered summer internships across core business lines/functions for nearly 30 college students from Hong Kong SAR, Macao SAR, Taiwan Province. To gain their recognition, we carried out a variety of activities to help the interns obtain a better understanding of the economic and social progress that has taken place as well as achievements in the capital markets that have been made in the Chinese Mainland. Such activities included a tour of the Company’s head office and business functions, lectures on the development of China’s capital markets and investment banking, and a visit to the Beijing Stock Exchange to learn about its founding history, organisational structure and functions, and development prospects.

Case
CITIC Securities Won the Best Employer Award for Further Deepening Corporate-college Partnerships



CITIC Securities won the best employer award for further deepening corporate-college partnerships

- CITIC Securities held various on-campus career coaching programmes, job fairs, and employer forums, and conducted various exchanges and visits with domestic and overseas universities. In 2024, the Company carried out exchanges and visits with a number of top universities at home and abroad, including Tsinghua University, Peking University, Fudan University, Shanghai Jiaotong University, Renmin University of China, Central University of Finance and Economics, University of International Business and Economics, Shanghai University of Finance and Economics, Nankai University, Sun Yat-Sen University, Johns Hopkins University, Nanyang Technological University, Hong Kong University of Science and Technology, and the Chinese University of Hong Kong (Shenzhen). Through these activities, the Company maintains good partnerships with these universities and has brought more global hires by increasing exchanges with overseas universities.
- The Company received the “Best Employer” and the “Best Partner” awards from Peking University’s Guanghua School of Management, School of Economics and HSBC Business School, and Fudan University’s School of Economics and School of Management.
- In addition, the Company signed a talent development agreement with the School of Economics of Peking University and the School of Finance of the Central University of Finance and Economics to build a career experience centre authorised by the Beijing Municipal Education Commission.
- The Company also sent judges for the first National Career Planning Competition held by the Ministry of Education, including the college-level competitions, the regionals, and the finals, and received acclaim for its work in this regard.

5.2 Promoting an All-round Development for Employees

A performance appraisal and promotion mechanism has been established and continues to be improved, providing CITIC Securities people with a clear career progression path. The Company’s talent development system is also improving, with targeted training programmes implemented based on the needs of different levels of learners, and company-wide training sessions carried out on various topics to support people in their all-round development.

Employee Performance and Promotion

A sound and robust salary policy has been put in place, designed to provide employees with competitive salaries and rewards. In 2024, revisions and improvements were made to the Salary Policy and Allowances, Subsidies & Benefits Policy to make such employee benefits-related policies more specific.

In 2024, the Company’s closed-loop approach to performance management (which includes setting KPIs, tracking progress towards each KPI, performing appraisal, and providing feedback and its implementation) was further deepened; daily performance and performance appraisal results are communicated to employees; efforts were made to equip lower level of management with capabilities and communication skills that would be useful in setting KPIs, using performance management tools and providing feedback.

In addition, a performance appraisal appeal programme has been put in place in which any appraisee who does not agree or accept the appraisal result can file a written appeal to the Human Resources Department within a specified time. The Human Resources Department conducts a fact-check about the matter, proposes solutions based on the check result, and informs the appraisee of the appeal results.

Performance Management

- Performance management policies and processes have been optimised, with identified KPIs and improved tools, methods and data collection for performance management.
- The criteria for performance assessment and professional grade reviews have been improved to drive efficiency and effectiveness; the talent inventory mechanism has been improved to adequately involve the relevant employers in conducting the review.
- The use of data has been enhanced in the appraisal process and pilot programmes have been carried out for new appraisal tools, with an exploration into how to assess the appraisee’s performance during his/her tenure, over the medium and long term, and how to conduct post-performance evaluation for certain roles.
- Managers are encouraged to integrate performance appraisal tools into their daily routine to improve their overall performance management level.

Career Development Channels

- Overall planning for talent in key positions is made. Overall operations of teams as well as talent construction is analysed and judged to identify potential risks. Then, a high-quality professional team with integrity and loyalty is built.
- Employees are encouraged to exchange in a wider rotation to improve their competency and management skills. The personnel mechanism adopts “capable employees get promoted; superior ones get rewarded; incapable ones get criticised; inferior ones get out” to promote all leaders to fulfil their duties and take active roles.
- The backup leader pool has been optimised to perfect training schemes and growth files for those leaders.
- Efforts are made to greatly supervise and inspect personnel selection, and continuously perfect systems and processes of the Party supervising the performance of officials.

Training and Capability Development

The Company continues to improve its talent development system across the 7 core business lines: investment trading, product design, sales, fintech, investment banking, research, and investment consulting. The Company is committed to developing a standardised talent development system that addresses customised and diversified needs.

Enhanced training courses

<p>Training Needs Survey</p>	<p>A survey on the training needs of all employees is carried out every year, with key training directions for all employees for the following year being determined according to the results. Each key training programme has corresponding training content varying from different training objects. Personnel files for new joiners and management trainees include evaluation data, training performance, testing scores, etc.</p>
<p>Training Plan Preparation</p>	<p>Every year, training needs are determined, and a training plan is developed accordingly, taking into account the Company’s development plan for the year, with progress being tracked against the plan every month. To determine the training needs for the year, we perform analysis of the survey results, training course completion in the previous year, and employees’ full-scale assessment results, and conduct interviews with the relevant business departments.</p>
<p>Key Training Courses</p>	<p>We continue to optimise key training programmes to make them standardised, and update the Course Outline of CITIC Securities’ Key Training Programmes based on the implementation of the annual training programmes, including making updates to the course structure and frequency for each key training programme, and providing clarity on the criteria for standardised management.</p>
<p>Innovative Training Model</p>	<p>The advanced talent training model has been introduced and adapted. In addition to the traditional online and offline model, there are diversified training models such as an OMO integrated training camp, an enterprise WeChat group learning activity, daily coaching, special topic replies, group tasks, role plays, etc., further boosting the training atmosphere and effectiveness, as well as the course effectiveness and quality.</p>
<p>Course Feedback and Improvement Opportunities</p>	<p>A survey is conducted after every offline mandatory training session carried out by the Company, as a way to receive employees’ feedback on the training instructors, overall course structure, and how helpful the course is in practice. Such feedback is used to improve subsequent courses to be provided.</p>

Case Training Courses Were Customised to Enhance Employee Participation

- Topics for “Cheer Up” sessions and sharing sessions for young employees were determined according to the results of a training survey conducted in 2024.
- Employees were annually provided with targeted on-the-job training courses according to their full-scale evaluation indicators.
- Business training topics and schedules for the year were determined based on interviews with the relevant business departments.
- An international business training series was held, in alignment with the Company’s development plan for the year. We designed training objectives that matched with the employees’ English proficiency and provided customised courses to help improve their English proficiency.

Learning and Development System

Training for All Staff

- In line with the requirements for role-specific competencies from the Group, the Company prepares a specific e-learning plan and provides each employee with an annual on-the-job training course package composed of two parts: “key political and economic policies” and “capabilities and competencies”. Each employee is required to complete a minimum of 10 hours of such e-learning.

Training for New Joiners

- Professional courses comprehensively help new employees to accelerate their integration into CITIC Securities and improve their business level. The training mainly takes on an intensive face-to-face model. There are related online and offline courses and activities before, during and after the training. Prior to the training, every new hire is provided with a new joiner e-learning plan designed to help them fit in and grow their skills. Instructor-led, centralised, face-to-face training also covers on-site sessions and various group activities structured to help the new joiners understand the Company’s business and the importance of teamwork. Afterwards, a “talent growth file” for each employee is created, with complete training evaluation data as the basis for future talent selection.
- After taking the in-person centralised training, new joiners have to complete a 4-week rotation in front office or sales departments to prepare for future collaboration across different functions. After the rotation, they are required to complete a 4-month on-the-job training programme under the guidance of their assigned coach, who is responsible for coaching and helping them grow and gain knowledge and practical experience.



A training session for new joiners



In addition, the Company considers it important for its people to learn, practise and improve skills in their roles. Therefore, the Company prepares a separate programme for professionals training and management training, and continues to develop and upskill its workforce in different ways, such as through leadership development and specialised training programmes.

Professionals Training

- For professional training, the Company focuses on professional skills training provided by each department or business line, while acquiring external courses as a supplement. Internal upskilling includes lectures, sharing sessions, coaching & mentorship, practice in the role, skill competitions, and debriefing on certain topics, conducted within each department to equip staff with a solid foundation and professional competencies. In terms of supplementary external training, the Company mainly holds professional training camps by acquiring high-quality online courses from external training service providers, to broaden staff horizons and skills.
- Training programmes carried out in 2024 included: a training camp to empower investment & research professionals, for which the Company acquired nearly 30 courses, including those on the CPC conference guidance interpretation, subject-matter courses, and investment fundamentals, among others; a training camp to empower fintech professionals, for which the Company acquired nearly 20 courses, including those on AI, blockchain, digital currency, data analysis, and introduction to AI and its application, among others.

Management Training

- The Company prepares a specific and targeted training programme for management personnel at all levels, to broaden their horizons and enhance their political awareness and leadership skills. Such training serves as a platform for managers from across functions and subsidiaries to communicate and learn from each other through various workshops and discussions.
- In 2024, a lecture series called “Navigating/Sailing” was held for senior executives and managers from different business lines and subsidiaries; an initiation programme for management backups; a 90-day transition project for new managers; and a special management training course for managers based in Shanghai and Shenzhen.



A special management training for managers based in Shanghai and Shenzhen in 2024



Managers attending training under the initiating programme in 2024

Joint Training

- In 2024, the Company continued to work with external professional firms and academic institutions to provide joint training programmes for the staff. These joint training programmes covered a variety of topics, including valuation modelling, GPI assessment & report interpretation, the “Cheer Up” programme for document writing, general competency training for young employees, etc. The Company also worked with academic institutions such as Renmin University of China to carry out on-the-job training as well as corporate culture training, a customised training programme on leadership, etc.



Training sessions held on valuation modelling



A trainer speaking at a training session on GPI assessment & report interpretation

Supporting Continuing Education

CITIC Securities, in accordance with the relevant requirements of the Regulations on Compliance and the Regulations on Employment Registration, contributes and organises annual continuing education and training for qualifications, including certificates in securities, sponsors, funds, futures, insurance etc. In addition, the Company reimburses employees who take the Hong Kong Securities Practitioner Qualification Examination and exams under the “Shenzhen-Hong Kong-Macao Fintech Professional Programme” (SHMFTPP), supporting CITIC Securities’ international business personnel and fintech professionals to improve their expertise and skills.

In 2024, a total of 25,334 employees attended training, including 13,503 employees attending training on securities qualifications and sponsor representatives; 7,179 employees attended training on fund qualifications; 2,717 employees attended training on futures qualifications; and 1,935 employees attended training on insurance qualifications. The Company encourages and supports employees to take courses for a degree, as its training policy clearly stipulates that employees are encouraged to study voluntarily and pursue in-service academic education related to their role in their spare time.

Conducting ESG-related Training for All Staff

Every year, employees are required to complete ESG training courses that the Company provides. As of 31 December 2024, the Company had provided 110 training courses totalling 117 hours across various ESG topics (including corporate culture, compliance risk control, corporate social responsibility and other related topics), with a total of 332,686 employees participant sessions attending the courses.

CITIC Securities International encourages all staff to participate in the Company’s environmental protection initiatives. In fact, environmental protection training has become a part of the induction process that every new joiner is required to complete. Such training is also available on the employee learning platform so that they can review it at any time.

5.3 Caring for the Healthy Life of Employees

In order to ensure a healthy living standard of its employees, the Company has constantly improved its welfare system, created a safe and friendly office environment, actively addressed the impact of extreme weather, and protected the personal safety and property of its employees.

Maintaining a Welfare System

Employees enjoy comprehensive social insurance, a housing fund, and medical security. Pursuant to the law, the Company provides its employees with basic social insurance covering pensions, medical care, unemployment, work-related injuries, maternity, as well as benefits including a housing fund and enterprise annuity. Meanwhile, a legal and compliant allowance is set to moderately solve employees’ difficulties and improve their working and living conditions. The Company advocates a hardworking and strict economy on the basis of fully reflecting care for its employees and mobilising their enthusiasm.

Employees also enjoy additional commercial insurance, including insurance for out-patient and emergency, in-patient, major disease, death from disease, accidental injury, and overseas travel. Regulations of Attendance standardise employee working hours and leave including national statutory holidays, paid annual leave, personal leave, sick leave, work-related injury leave, marriage leave, funeral leave, maternity leave, paternity leave, breast-feeding leave, etc.

The Company organises employee appreciation and consolation activities to send warm regards to employees on their birthdays, or when they get married or have a child and to visit employees retired. It has also constantly improved the normalised warmth-delivering and assistance mechanism to timely care for hospitalised employees or employees in need.

Employee care and consolation

In 2024, the Company distributed condolence items worth a total of RMB 5.7866 million.

Assistance for employees in need

The assistance mechanism for employees in need has been improved, and the central management of daily greetings, comforts, and centralised assistance further optimised; the Rules for Staff Mutual Assistance Fund of CITIC Securities Co., Ltd have been revised. In 2024, the Company gave 46 employees assistance. In addition, the Company visited 79 employees with greetings and comforts during the New Year's Day and the Spring Festival in 2024.

Building a Safe Office Environment

The Company actively addresses the impact of extreme weather events, such as typhoons and rainstorms, and does a sound job in prevention, early warning and emergency rescue so as to ensure the working safety of employees.

Case Training Courses Were Customised to Enhance Employee Participation

Based on the early warning information provided by local emergency departments and the meteorological department, the Administration Department conducts typhoon prevention inspections over the whole building of Shenzhen office with a focus on inspecting areas vulnerable to damage caused by typhoons, including the glass facades of the building, air conditioning peripherals on the roof terrace, and outdoor electromechanical equipment before the typhoon arrives. Before rainstorms, the Administration Department cooperates with the property management team to prepare flood prevention materials and timely clean and desilt drainage outlets, including the drainage outlets of the roof terrace and parking lots. The Company contacts the local sub-district offices to obtain guidelines on prevention of typhoons and bad weather, and sends early warning information and safe working reminders to its employees. During the typhoon red signal period, the employees of the Administration Department are on duty on-site, responding to emergencies, and taking timely actions according to the shutdown requirements issued by the government.

The Company attaches great importance to the occupational health of its employees, and regularly provides convenient, comfortable, professional, and efficient customised physical examination services for employees. After the commencement of the physical examination season, the Company regularly publishes articles related to physical examinations in the administrative column to enhance employees' understanding of items involved in physical examination items, improve employees' awareness of performing a physical examination, and effectively improve employees' engagement in physical examinations.

Case Physical Examination Test Lines Moved into the Office Area

During the reporting period, the Company cooperated with hospitals and physical examination institutions to move the physical examination test lines to the office area, so that employees can enjoy the physical examination services of the tertiary general hospitals without leaving the office.



Physical examination test lines moved into the office area

Case Newly Added Assessment Before Physical Examinations and “1+X” Physical Examination Model

An assessment before physical examinations has been introduced to the physical examination package. During this assessment, information on employee's physical conditions, family medical history, living habits and other aspects are obtained through questionnaires before the physical examinations are performed so that appropriate hospitals and physical examination packages can be precisely recommended. This approach integrates the scientific assessment, individual differences, and professional suggestions so as to safeguard employee health.

In order to meet the diverse needs of employees, the Company also worked with some hospitals to introduce the “1+X” physical examination model through which, in addition to the basic package, employees can freely choose the “X” plus item within budget according to their own needs to carry out in-depth screening or special examinations so as to realise personalised and customised physical examinations.

Case First-aid Equipment in Office Premises

The Company has deployed automated external defibrillators (AEDs) in the office area of the headquarters and regularly checks the status of the equipment; an AED distribution map has been posted in the administrative column. The Company regularly organises first-aid trainings for employees, with first-aid training activities being organised quarterly in Beijing, Shanghai and Shenzhen. The main content of the trainings include cardiopulmonary resuscitation, the use of the AEDs, and other related knowledge. The Company has also organised employees to establish a volunteer team for first-aid trainings.



The AED distribution map



First-aid training activities

Case Health Education in the Workplace

The Company posts health knowledge posters in the office pantry and updates them monthly. The posters introduce daily health care, disease prevention, and other health knowledge through the form of pictures and text. Posters can imperceptibly enhance employees' health awareness and enable employees to learn health knowledge in a relaxed and happy atmosphere.



Health posters in the pantry

Case Regular Lectures on Health Knowledge

The Company regularly invites experts from hospitals to give lectures on health knowledge. Experts impart health knowledge about disease prevention, nutritional diets, mental health, and other aspects to employees in simple language, guide employees to convert what they have learned into practical actions and to adjust their living habits, so as to improve their general physical condition.



Lectures on health knowledge

Paying Attention to the Rights and Interests of Female Employees

Complying with the Labour Law, the Trade Union Law, the Law on the Protection of Rights and Interests of Women, and the Special Provisions on Labour Protection for Female Employees, the Company has signed collective agreements with female employees to effectively protect the legitimate rights and interests of its employees and guarantee female employees' rights and interests from the source and through the systems, in order to improve the special protection and physical and mental health of female employees.



Establishing the breastfeeding room

The Company regarded the construction of breastfeeding rooms for female employees as an important means for serving female employees, and set up the "Mother's Room" in the office building to provide a safe, hygienic, warm and comfortable space for female employees during their pregnancy and breastfeeding period. In 2024, there were five new care rooms and a Mother's Room for female employees under construction.



Childcare activities

The Company organised employees to participate in childcare activities conducted by the Committee of Female Employees of CITIC Group. In 2024, a total of 12 children of employees participated in the winter childcare class, and 29 children of employees participated in the summer childcare class, helping employees ease their childcare problems.



HPV vaccination

The Company pays attention to the health of female employees and provides female employees with HPV vaccination and vaccine appointment services. The HPV vaccine is an effective means to prevent cervical cancer, but there are problems, such as difficulty in getting an appointment and long waiting times. The Company took the initiative by cooperating with vaccination institutions to enable female employees to enjoy HPV vaccination services within the company.



Meanwhile, the Company has established the Committee of Female Employees which has cooperates with the labour union of the Company to carry out a variety of activities for female employees on holidays such as the International Women's Day to promote female employees to be healthy and optimistic, and create a positive and united working atmosphere



Activities on the International Women's Day

The Company organised the "Charming Women" themed campaign on International Women's Day, and employees were organised to take part in a relevant knowledge contest. A total of 9,635 employees participated in the event, with the participation rate of female employees reaching 96%.

The Company called on female employees to participate in activities such as online legal knowledge education and knowledge quizzes organised by the labour union of the CITIC Group. The number of female employees who participated reached 6,035.



Organising and carrying out employee engagement activities

The Company actively carries out various employee engagement activities to promote a work-life balance in employees and to create a healthy and happy working and living atmosphere.



Create a “workers’ home”

The Company is committed to providing employees with a more comfortable and warm working and living environment through creating another home for employees after work. In 2024, the Company has built seven new “workers’ homes” and upgraded or acquired equipment for 34 workers’ homes.



Promote the construction of staff clubs

By the end of 2024, the Company had established more than ten staff clubs and interest groups covering tennis, badminton, football, table tennis, photography, flower arrangement, swimming, etc., and has encouraged the establishment of club branches in cities outside Beijing to enrich the cultural life of its employees, enhance team cohesion, and create a positive corporate cultural atmosphere.



Carry out colourful cultural and sports activities

In response to the national strategy of promoting extensive fitness-for-all activities, the Company’s labour union organised the large-scale brisk walking activity with the theme of “Making a concerted effort and moving forward through brisk walking” from September to October 2024, with the number of employees participating reaching 13,238.



Care for the mental health of employees

The Company introduced professional health service organisations to provide multi-level health services through mental health fairs, offline lectures, online consulting, and other methods to ensure and maintain the mental health of its employees.



Care for the families of employees

On the eve of International Children’s Day, the Company organised two online activities, namely, “Knowledge on animation” and “Creative little painter”, with more than 6,000 employees participating in individual activities. On International Children’s Day, an offline activity with the theme “Jointly draw the future with childlike innocence and a child’s taste” was carried out and attended by more than 120 families of employees of the headquarters. The activity effectively enhanced the sense of belonging and happiness of employees, making parent-child relationships closer and promoting harmonious families of employees.

Upholding Integrity in Business Operations and Enabling Sound development

- OPTIMISING CORPORATE GOVERNANCE COMPREHENSIVELY
- PUTTING FINANCIAL CULTURE WITH CHINESE CHARACTERISTICS INTO PRACTICE
- ENSURING INTEGRITY AND COMPLIANCE IN BUSINESS OPERATIONS
- IMPROVING THE RISK MANAGEMENT SYSTEM
- STRENGTHENING DATA GOVERNANCE



CITIC Securities
Sustainability Report
2024

中信証券2024年可持續發展報告

Establishing scientific and sound corporate governance mechanisms forms a solid foundation for the sustainable development of enterprises. CITIC Securities is continuously strengthening corporate governance, intensifying internal control compliance management, improving the comprehensive risk management system, and stepping up the innovation and application of financial technologies in order to constantly consolidate the foundation of sound and high-quality development.

6.1 Optimising Corporate Governance Comprehensively

As an A+H share listed company, CITIC Securities strictly operates in accordance with the laws, regulations, and normative documents of domestic and foreign listing places, and is constantly committed to maintaining and enhancing the company's good market image. Strictly abiding by the Company Law, the Securities Law, and other relevant laws and regulations and the regulatory requirements the China Securities Regulatory Commission (CSRC), CITIC Securities constantly improves its corporate governance structure that consists of the Shareholders' General Meeting, the Board of Directors, the Board of Supervisors and Senior Management with clear divisions of responsibilities, scientific management, and effective operation. It continuously elevates the rationality, robustness, and effectiveness of corporate governance, and promotes the effective role of all governance bodies, so as to provide a robust governance guarantee for development. By the end of 2024, the Company had 9 directors, including 2 executive directors, 4 non-executive directors, and 3 independent non-executive directors; there were 5 supervisors in total, including 2 representatives of employees serving as supervisors.



Under the Board of Directors of the Company, there is a Risk Management Committee, an Audit Committee, a Related-party Transaction Control Committee, a Strategic Planning and ESG Committee, a Nomination Committee, and a Remuneration and Appraisal Committee. The Audit Committee, the Remuneration and Appraisal Committee, the Related-party Transaction Control Committee, and the Nomination Committee are chaired by independent directors.

The Company is committed to a diverse board of directors to provide a wide range of views and perspectives for board decision-making. Candidates for directorships are nominated and appointed based on multiple indicators, including, but not limited to, gender, age, culture, educational background, industry experience, technical know-how, professional qualifications and skills, expertise, length of service, and other relevant factors. The current board is sufficiently diverse in terms of gender, skillset, experience, expertise, and independence.



Based on the Company's business development demands and the directors' professional functions, professional training sessions for directors and senior managers are held to assist them in their duty performance. During the training sessions, directors updated their knowledge and skills, gaining a better understanding of the Company's culture and business management and drastically improving the quality and efficiency of their decision-making. In 2024, the directors of the Company actively participated in trainings to update professional knowledge and skills to meet the Company's development demand and the total length of training per director exceeded 12 hours.



6.2 Putting Financial Culture with Chinese Characteristics into Practice

CITIC Securities gives full play to the leading role of cultural construction in business development and vigorously cultivates and propagates a financial culture with Chinese characteristics by organising a variety of cultural learning and promotional activities, and shifting the focus of the Company's corporate culture construction from cultural cognition to cultural practice and employee behaviour standardisation, blending the essence of a financial culture with Chinese characteristics into employee values and daily behaviours, in order to continuously provide strong cultural support for the high-quality development of CITIC Securities.

The Company studies and implements the spirit of the Third Plenary Session of the 20th Communist Party of China (CPC) Central Committee. To achieve this, the Company has organised a series of activities and taken multiple measures to promote a financial culture with Chinese characteristics. These efforts aim to guide employees in understanding and applying the essence of a financial culture with Chinese characteristics, so as to provide a solid cultural foundation for building a first-class investment bank. The Company carried out a Party Day activity of "Studying Theories, Strengthening Culture, and Promoting Development" for its Party members. Through collective learning among Party branches and self-directed learning among individual Party members, the Company deeply studies and understands the requirements of a financial culture with Chinese characteristics, arming itself with the Party's innovative theory and taking it as guidance and motivation.

Based on the common ground of Chinese traditional culture and a financial culture with Chinese characteristics, the Company focuses on the 'coin culture' and organises events such as the special lecture of "The History of Coins in China". These activities enable employees to gain a deeper understanding of the heritage nature and epochal features of Chinese coins, thereby intensifying their awareness and confidence in financial culture, and constantly fostering a sense of responsibility in providing exceptional financial services to contribute to the country.

Led by a financial culture with Chinese characteristics, the Company organised a special training on cultural construction and professional ethics by inviting relevant leaders and experts to give lessons systematically on the new situations, new tasks, and new requirements of cultural development and professional ethics construction. In addition, the Company actively encouraged employees to read books on financial culture and organised mass reading activities.

6.3 Ensuring Integrity and Compliance in Business Operations

CITIC Securities always adheres to the bottom line of compliance in its business operations and actively practices a compliance-based operations philosophy by way of horizontally improving internal control and compliance systems, optimising anti-corruption management, and promoting compliance culture construction to fully incorporate internal control and compliance systems into daily operations and maintain compliance during its quality development.

Compliance Management

The Company continues to improve the long-term mechanism for internal control and compliance management, optimises the inspection mechanism, and strengthens inspection management. In addition, the Company is intensifying the assessment and incentive system to improve its accuracy and effectiveness. The Company also strengthens accountability management and enhances accountability, thereby constantly improving the quality and efficiency of internal control and compliance management.

In order to effectively identify breaches or potential compliance risks, CITIC Securities has formulated the Compliance Inspection and Monitoring System and the Compliance Reporting System. Following the principles of objectivity, impartiality, independence and standardisation, CITIC Securities identifies potential compliance risks and safeguards against compliance risk events by focusing on and tracking sensitive business information, employees' professional practices, unusual transactions, and sensitive transaction data. Compliance inspections and monitoring are conducted, and written reports are prepared, urging relevant departments and employees to take remedial actions.



Compliance inspection

Inspections are carried out at irregular intervals on the completeness of systems, employee professional practices, anti-corruption, business compliance, investor suitability, accountability for breaches, etc.



Compliance monitoring

Employees' professional practices are monitored manually or via telephone, emails and information systems to ensure their compliance with laws and regulations, based on the scope of responsibilities defined according to regulatory rules and the Company's systems. Employees' professional qualifications, practice qualifications, qualifications for their positions, and part-time jobs are monitored and verified in order to continuously promote their compliance with professional ethics and ensure that they are law-abiding and upholding integrity.

During the year, the Company has continued to strengthen the construction of the Compliance Department's information system and employs technologies to elevate the effectiveness of various compliance monitoring scenarios.



Compliance assessment

The Company has incorporated compliance into the performance assessment system. Employees who have violated the Company's code of conduct will have their ratings be downgraded accordingly at year-end appraisals. The compliance factor is given a weight of no less than 15% in the Company's performance assessment and will be totally deducted for business units and employees that have been subject to administrative penalties by regulators or have caused major compliance risks arising from serious breaches of laws and regulations resulting in significant financial or reputational loss to the Company.



Compliance disposal

For employees who have violated the Company's internal rules and systems, including the code of conduct, the Company takes different compliance actions to hold them accountable depending on the severity and impact of the violation, including issuing a reminder or warning, admonishing them in a conversation on compliance, ordering them to take remedial actions, or identifying them as inappropriate candidates.

Anti-Corruption Efforts

The Company strictly abides by national and local anti-bribery and anti-corruption laws and regulations, promotes awareness campaigns among employees, and continues to intensify anti-bribery and anti-corruption efforts by improving the checks and balances mechanism and reinforcing the management of employee behaviour whereby any employee who commits any fraudulent act will be severely punished. During the reporting period, the Company was not found to be engaged in any commercial bribery and corruption litigation cases.

Organisational Optimisation

- In order to adapt to new regulatory trends and move in line with international anti-corruption compliance management practices, the Company has improved its organisational structure, and set up a new Anti-Corruption and Anti-Bribery Committee headed by the chairman to replace the former Leading Group on Anti-Corruption Efforts. The Rules of Procedure for the Anti-Corruption and Anti-Bribery Committee have been formulated to constantly improve compliance management related to anti-corruption and anti-bribery efforts. The committee is responsible for implementing the overall targets and plans determined by the Company's operations management committee, improving the management system, implementing key actions defined by the Party committee and the operations management committee, optimising the internal supervision mechanism, and cultivating a culture free from corruption. In 2024, the committee held its first meeting to study and discuss the domestic and international regulatory developments regarding anti-corruption, as well as the Company's preparation and implementation of anti-corruption measures.

Development of Systems

- In November 2023, the Company released the revised Anti-Corruption Rules and refined the requirements for employees during their day-to-day professional activities. Business units and employees are both subject to audits, performance appraisals, and personnel management systems to identify corrupt practices. There are well-defined incentive mechanisms and accountability mechanisms in place which prohibit any direct connection between the salaries of employees and income accrued to the Company from projects undertaken. Assigning a project to a single employee is not allowed for investment banking as this would provide excessive incentives. In addition, it is clearly stated in employment contracts and internal systems that any employees found to have engaged in corrupt practices are required to return, wholly or partly, any bonuses related to the breach, or be disqualified for long-term incentive measures.
- In 2024, the Company continued to implement a working mechanism requiring employees to make a commitment to be free from corruption. Employees are informed of the anti-corruption requirements they are expected to comply with as part of the onboarding programme, or when transferred to other positions or are considered for promotion. They are required to renew their commitment every year.

Special Inspection

- During the year, the Company conducted special anti-corruption inspections to assess the effectiveness of the Company's internal control management and the implementation of anti-corruption management measures within major business lines. Meanwhile, the inspection team pays emphasis on inspecting cases of anti-corruption violations and irregular financial reimbursements that were identified during relevant departments' internal audits in the past five years, and sorts out the possible risk points in the anti-corruption procedures based on the results of internal audits.

Training and Awareness Campaigns

- The Company carries out anti-corruption training and awareness campaigns for all employees every year. These campaigns require employees to complete training and assessments on time and track employees' completion progress, with the aim of familiarising employees with relevant anti-corruption regulations and improving their awareness. Moreover, an official WeChat account dedicated to compliance has been launched for holding anti-corruption campaigns. This allows continuous expansion of campaign coverage and further advances the Company's anti-corruption cultural development.

Case CITIC Securities Vigorously Holds Anti-corruption Campaigns

In 2024, the Company vigorously held anti-corruption campaigns, and continued to publish relevant policies and specifications on anti-corruption and upholding integrity through internal websites, the Company’s WeChat, and public WeChat accounts such as “Party Conduct Improvement Column”, “Discipline Inspection Column”, “Compliance Column”, and “CITICS Compliance Insights”. In addition, the Company prioritises compliance with recent anti-corruption laws and regulations and policy requirements, including the Several Opinions on Strengthening Regulation, Preventing Risks and Promoting the High-Quality Development of the Capital Market, the four policy documents on “strengthening fundamentals and enforcing strict regulation” issued by the CSRC, and the Amendment (XII) to the Criminal Law of the People’s Republic of China. The Company has also analysed and summarised the key areas and behaviours that may lead to anti-corruption violations in the securities sector based on statistics of regulatory penalty cases from the past two years. During the year, the Company created a column called “Required Courses for Securities Practitioners” in the Wechat official account “CITICS Compliance Insights”, and successively released three issues regarding the Implementation Rules for Anti-corruption Practice of Securities Companies and Their Staff.



The "Required Courses for Securities Practitioners" column in the “CITICS Compliance Insights” Wechat official account

Conflict of Interest Management

During the year, the Company revised the Conflict of Interest Management Measures and formulated the Operational Guidelines for Reviewing Conflicts of Interest in Collaboration between Different Businesses to strengthen the management of conflicts of interest of the Company and its subsidiaries. In terms of the management of employees’ professional behaviour, in order to prevent potential integrity risks and manage conflicts of interest in securities investment, CITIC Securities has released the System For the Management of Employee Behaviour in Securities Investment in accordance with the Securities Law, the Securities Investment Fund Law, the Supervisory and Administrative Measures for Directors, Supervisors, Senior Managers and Practitioners of Securities and Fund Management Institutions, and the supporting rules issued by industry associations, requiring the Company’s directors, supervisors, senior managers, and employees engaged in specific business categories to report their securities and fund investments and their equity investments in unlisted enterprises as well as those of their spouses and stakeholders on a timely basis. During the year, the Company stepped up efforts to manage and monitor employee securities investment behaviour and optimise declaration processes and systems for employees’ commercial interests and investment behaviours.

Anti-Money Laundering (AML) Management

In accordance with laws and regulations and in order to address internal management needs, the Company improves the internal control system for money laundering risk management on an ongoing basis. The Company has formulated and issued the Anti-Money Laundering Management Measures and continued to optimise the AML management framework across the three lines of defence. Employees are urged to contribute to safeguarding against money laundering and terrorist financing risks faced by the Company in day-to-day business development.

Establishing the Global Committee on Financial Crime Prevention

- The compliance director of the Company serves as the chairman of this committee which reports to the operation management committee. This committee is responsible for comprehensively reviewing and analysing how AML, counter-terrorist financing (CTF), sanction risk management, and other matters are implemented in jurisdictions where the Company and its domestic and foreign subsidiaries are located.

Establishing an Internal Control System for AML

- Nine sets of rules and guidelines on AML, including the Implementation Rules for Anti-money Laundering Customer Due Diligence and Risk Management, the Guidelines for Customer Due Diligence, the Implementation Rules for Reporting of Large-sum Transactions and Suspicious Transactions, and the Guidelines for Anti-money Laundering List Monitoring, have been revised.

Establishing an AML information system

- A customer-specific money laundering risk management strategy has been implemented and covers all business departments of the Company. Information technology is leveraged to ensure the effectiveness of the Company's AML efforts. During the course of customer due diligence, the Company's AML system is used to perform customer onboarding and due diligence, money laundering risk assessment, and the screening, analysis and reporting of suspicious transactions, etc., during the customer relationship lifecycle. A monitoring system has been developed to perform list screening before customer onboarding to ensure that the Company's AML and CTF obligations are fully fulfilled.

Customer Due Diligence

- In line with the Know Your Customer (KYC) principle, corresponding measures are taken for customers, business relationships or transactions with different money laundering or terrorist financing risks to collect and verify customer identity information, understand customers, the purpose and nature of their transactions, their source of funds and what the funds are intended for, and understand and identify the natural persons who are the actual controllers and the actual beneficiaries of transactions.

The Company reports large-sum RMB and foreign currency transactions and suspicious transactions to the China Anti-money Laundering Centre in accordance with the regulations of the People's Bank of China on the reporting of large-sum transactions and suspicious transactions. Any potential crime detected is reported to the local branch of the People's Bank of China and the public security department.

Compliance Culture

The Company has implemented a culture characterised by compliance, integrity, professionalism, and stability which is common to industry peers, and has continuously enhanced compliance education and training to improve the compliance awareness of all employees. The Company has constantly enriched the content of compliance education, organised compliance education activities in various forms and covering various aspects so as to enhance the awareness of the rule of law and awareness of the bottom line in respect of compliance for all employees.

In 2024
CITIC Securities



for all employees
over **100** compliance
training sessions



with the total length of all
training sessions being more than
130 hours



participating in the training sessions
with more than **60,000**

The training sessions covered business compliance requirements including new regulatory requirements, key requirements of business norms, as well as special compliance management tasks such as anti-money laundering, professional integrity, and investor suitability.

Meanwhile, compliance promotion and training campaigns were carried out via the official WeChat account and the WeChat Channel “CITICS Compliance”, and special publicity activities related to employees’ behaviour were carried out in various forms, such as articles, long image texts, and short videos. During the year, over 40 relevant training activities were organised.

Anti-Unfair Competition

The Company has formulated internal systems including the CITIC Securities Marketing Management System, the CITIC Securities Guidelines for Marketing Materials Compliance Review, and the CITIC Securities Regulations on Management of Marketing Behaviour of Employees of Branches of the Wealth Management Committee to maintain fair competition and good order in the market, and has clearly stipulated that it is strictly prohibited to solicit business by, either directly or in a disguised form, returning commission to investors, giving them gifts or coupons, or providing them with other services that don’t belong to the securities business in nature, disparaging peers and other unfair competition means. It is also prohibited to solicit investors by slandering other securities companies or using other unfair competition means. The Company has also stipulated that other acts which harm the legitimate interests of investors, disrupt market order, or violate the requirements of professional integrity and suitability management should not be conducted, and it has strengthened corresponding management requirements and communicated them to all employees through training activities.

In 2024, there were no violations of laws and regulations by the Company in terms of unfair competition.

Advertising Compliance Management

The Company continued to strengthen the compliance management of marketing and promotional activities, strictly complied with the CITIC Securities Marketing Management System, and published a new review process for marketing materials during the year to clarify the requirements for compliance management and compliance review of marketing and advertising materials. During this year, the Company organised two training sessions on reviewing marketing materials. It has been practicing the philosophy of “being responsible in marketing activities” through practical actions while safeguarding consumer rights and interests.

Intellectual Property Management

The Company strictly abides by the Trademark Law of the People’s Republic of China, the Copyright Law of the People’s Republic of China, the Patent Law of the People’s Republic of China, and other laws and regulations on intellectual property, and has formulated the Intellectual Property Management Measures, the Copyright Management Measures and other systems, which define the departments responsible for the management of relevant intellectual property rights and their responsibilities and include clear provisions on the ownership, exercise, and protection of corresponding rights and interests. While effectively protecting its own intellectual property, it avoids infringing others’ intellectual property rights and prevents intellectual property risks.

In 2024, there were no violations of laws and regulations by the Company in terms of intellectual property.

Safeguarding against Intellectual Property Risks

- In 2024, the Company revised and issued the Trademark Management Measures and formulated templates of contractual terms on intellectual property rights to standardise the use of legal texts.
- The Notice on the Investigation of Intellectual Property Rights has been issued to all departments, business lines, and subsidiaries to carry out inspections on intellectual property risks related to trademarks, pictures and typefaces, so as to identify and summarise risk points in a timely manner and issue risk alerts, introduce standards for the use of intellectual property rights, and prevent infringement risks.
- Intellectual property rights have been investigated to understand the quantity, type, distribution, and other information on the Company’s intellectual property rights in a timely manner.

Improving Awareness of Intellectual Property Rights

- The Company issues the Monthly Intellectual Property Report to all employees of the Company via email. The report includes four sections: “internal management developments”, “external information dynamics”, “interpretation of typical cases”, and “interesting stories related to intellectual property”. Every month, an interesting story related to intellectual property rights is selected and pushed to all employees of the Company through the WeChat account used for legal knowledge education to timely communicate the latest developments of intellectual property and provide interpretations of typical cases.
- The Company invited external experts to carry out intellectual property training sessions and give lectures to employees of the Company and its subsidiaries in respect of patent mining, key points in the application for trademarks and patents, and the management of trademarks and patents, so as to enhance the awareness of the Company’s employees on the identification and protection of intellectual property.

In 2024, the Company obtained 21 patents and registered 43 software copyrights. As at the end of 2024, the Company held 66 registered trademarks, 47 patents and 128 software copyrights, effectively protecting the Company’s brands and intellectual property rights, and also improved the full-process comprehensive intellectual property rights protection system, namely achieving improvements from systems through to application.

Whistleblowing and Handling

The Company has formulated and released the Compliance Management Rules, the Anti Commercial Bribery Policy, and the Whistleblowing and Whistle-blower Protection Policy, which clearly stipulate that employees are encouraged to report violations of laws and regulations, complaints raised by employees should be attended to in a timely manner to identify compliance problems or risks on a timely basis, and that relevant problems should be investigated and dealt with in a timely manner. The handling department has the obligation to keep the complaints and the whistle-blowers confidential in performing their duties and should effectively protect the whistle-blowers and their interests from infringement.



Whistleblowing Channels

Any whistle-blower can submit a tip-off to the compliance department of the Company in writing or make an appointment for an interview in person. The Company has a functional mailbox for professional integrity and whistleblowing (integrity@citics.com) to accept complaints and tip-offs involving the Company and its employees' violation of integrity rules formulated by regulatory authorities, self-regulatory organisations, and relevant systems of the Company.



Whistle-blower Protection

The Company has made it clear that, except upon request by judicial and regulatory authorities in accordance with laws and regulations, it is not allowed to disclose any information about any tip-offs and investigations to the person complained of or under investigation, and that it is not allowed to threaten, attack, or retaliate against a whistle-blower or anyone holding different opinions.

6.4 Improving the Risk Management System

Based on the comprehensive risk management framework consisting of assessment, measurement, monitoring, response, and reporting, CITIC Securities has taken effective risk control measures to enhance its professionalism and foresight in risk management, and comprehensively improve its risk management capability.

Comprehensive Risk Management System

The Company monitors, evaluates, and manages financial, operational, compliance, and legal risks in its business activities through the implementation of comprehensive risk management mechanisms and internal control processes. It also conducts vertical risk management for its subsidiaries through different modes such as business guidance, operational support, and decision management.

<p>Optimising organisational structure for risk management</p>	<ul style="list-style-type: none"> • The Company has established a three-tier risk management system, where the Special Committee under the Risk Management Committee of the BoD and the management is responsible for collective decision-making, and the Internal Control Department maintains close coordination with the business departments / business lines to manage risks from the aspects of deliberation, decision-making, implementation, and supervision. • We have established a comprehensive risk management system and three lines of defence for risk management led by the Chief Risk Officer and the Risk Management Department, involving all departments / business lines, branches, subsidiaries, and all staff of the Company.
<p>Improving risk management system</p>	<ul style="list-style-type: none"> • As a move to follow external regulatory provisions and meet internal management requirements, we have formulated or revised more than 40 risk management measures, including the 2024 Risk Appetite Statement, the Management Measures on Operational Risks, the Management Measures on Asset Concentration Risks, the Management Measures on Stress Test, with a view to improving the completeness of internal control systems covering various risks and key areas.
<p>Risk appetite management</p>	<ul style="list-style-type: none"> • The Company takes measures to continuously enhance its risk appetite management, optimise the risk appetite indicator system. We strengthen country-by-country risk management with improved supporting systems and processes by including country-by-country risk limits into the risk appetite statement for the first time. • We also enhance the daily management (including monitoring, early warning, and reporting) of various risk appetite indicators to ensure the Company's overall risk is under control.
<p>Building risk management capabilities</p>	<ul style="list-style-type: none"> • The Company continuously enhances global risk management capabilities, deepens the construction of integrated risk systems and enhances the risk management for the same business or same client both in and out of China, ensuring that risk preferences remain basically consistent domestically and internationally. • The Company continues to enhance forward-looking risk assessment capabilities, is strengthening the refined, differentiated, and dynamic management of key business areas, is increasing efforts to identify global asset risks, conducts specialised risk assessments of key areas and important incidents in addition to routine risk assessments, and proactively identifies and responds to potential risks and hazards to effectively safeguard the security of the Company's assets.

Risk Management Measures

Risk management for products and services

- The Company conducts risk classification for all products and services, and has prepared the List of Risk Categories for Products and Services of CITIC Securities Company Limited, covering major product types such as stocks, funds, and bonds, as well as various service types such as investment banking, brokerage, investment advisory, and financing.
- Products and services not included in the list are subject to risk rating by the risk assessment group under the Company’s Product Committee, or the Research Department or third-party assessment agencies (as appropriate). They are also subject to suitability assessment made by the Company’s sales department or its authorised representative, with the assessment criteria in line with the relevant requirements of the Company and industrial associations.

Risk management for key business areas

- The Company enhances the refined, differentiated, and dynamic risk management for key business areas to prevent and mitigate material financial risks. By conducting intensive industry surveys and assessment, adjusting risk management strategies in light of changes, and optimising margin management mechanism and other measures, the Company enhances the far-sightedness in risk assessment and improves its asset quality monitoring and risk alerting capabilities to improve the effectiveness of its risk management.
- Meanwhile, the Company performs risk-checking procedures on risky assets on a quarterly basis, with a focus on key businesses, key industries, and key customers, to timely detect and identify potential risks by expanding the coverage and frequency of the risk-checking procedures, optimising the system data processing and auxiliary analysis functions, and performing assessment and analysis on key positions item by item, so as to promote the performance of business lines and subsidiaries in risk prevention and response.

Emerging Risk Management

CITIC Securities strengthens the identification of emerging risks, optimises the management process of risks such as climate change, geopolitics, and information security, and enhances response capabilities to build a forward-looking safety net for stable business development, a more comprehensive risk defence line, and to create sustainable value.

<p>Climate-related risk management</p>	<ul style="list-style-type: none"> • The Company adheres to overseas and domestic regulatory requirements and industry standards on climate-related risk stress testing, to assess and analyse climate factors and scenario analysis, and explore the transmission path of risks from the potential impact of climate changes on securities companies, as a move to design climate risk stress scenarios and include climate risk factors into the coverage of considerations for future comprehensive stress testing.
<p>Geopolitical risk management</p>	<ul style="list-style-type: none"> • The Company standardises and improves the country-by-country risk assessment process for innovative business to ensure close monitoring, timely research, dynamic investigation, and effective prevention of country-by-country risks in and out of China. It summarises and monitors the information of various businesses and risks by country, achieves agile risk assessment of country exposures, incorporates the country-by-country risk limits into the risk appetite indicator system for daily monitoring, so as to effectively manage the concentration of country-by-country positions and conduct special research and reporting on the country-by-country risk of key countries .
<p>Information security risk management</p>	<ul style="list-style-type: none"> • The Company has set up a special "information security risk-checking" process, as an effective mechanism for employees to report and feedback on vulnerabilities. It establishes a special emergency response organisation, develops special emergency response plans, and carries out emergency drills every year to prevent special security incidents, such as 0-day vulnerability utilisation, Internet intrusion, terminal phishing, etc.

ESG Risk Management

Upon formulating the Environmental and Social Risk Management Framework of CITIC Securities, the Company gradually incorporates ESG factors into its comprehensive risk management system, fully considers ESG factors in the course of investment and financing business, and integrates ESG factors into due diligence, risk assessment and subsequent management. In 2024, the Company further optimised the risk appetite indicator system in light of internal and external changes by setting country-by-country risk limits and appetite indicators linked to green bonds in the 2024 Risk Appetite Statement, giving full play to the role of risk appetite in guiding business.

ESG Due Diligence

In the course of carrying out investment and financing business, the Company incorporates ESG factors into due diligence, risk approval and follow-up management, and investigates how the target is going in terms of ESG and how it manages ESG risks faithfully and objectively and comes up with reports and recommendations on strategies.

Overview of the focus of ESG due diligence investigations by CITIC Securities

Environmental responsibility	In line with regulatory requirements, a focus was maintained on the impact of corporate production and operating activities on the external environment. For projects involving agriculture, biodiversity, energy utilization, forestry, mining, oil and gas, transportation, raw materials and other areas posing high environmental risks, a focus was maintained on their environmental ratings.
Social responsibility	Focusing on corporate social responsibility and other key issues of national and social development, including human resources, supply chain, etc.
Corporate governance	Focusing on compliance in corporate governance, including compliance by management officers, business ethics, litigations and disputes, etc.

In 2024, the Company conducted due diligence on investment projects, integrating environmental, social, and governance (ESG) concepts into project decision-making, execution, and management processes. In the selection of investment targets, industries or enterprises that have significant negative impacts on society were excluded. For investment targets with serious negative events, such as major pollution incidents or serious personnel accidents, careful evaluations were conducted before making investment decisions.

Risk Culture Cultivation

In accordance with the comprehensive risk management norms for securities companies and the relevant requirements for the securities industry on culture cultivation, the Company has formulated a risk culture cultivation plan based on its own cultural concepts and risk appetite, so as to constantly improve the cultivation of its risk management culture.

The Company carried out risk culture publicity through various channels such as its WeChat public account, the risk management intranet, internal journals, etc., aiming to expand the influence of risk culture with insights into the latest risk trends in the industry, risk case studies, and other publicity content. In 2024, the Company has completed the preparation of 14 internal publications, available to all employees through the Company's internal platform.

The Company also prioritised cultural promotion through training sessions and actively organised special trainings for business departments, special trainings on internal risk management for departments, and training sessions for new recruits, etc., helping to effectively popularise the requirements of various risk management systems and improve the risk prevention awareness and skills of all staff.

In addition, the Company actively carried out theoretical research on the cultivation of risk culture, the Research on the Chinese style Practice of Risk Management Culture Construction in Securities Companies filed by the Company was rated as excellent projects by the Securities Association of China.

6.5 Strengthening Data Governance

CITIC Securities adheres to the concept of innovation driven development, continues to practice the core values of "integrity, innovation, excellence, and sharing", increases investment in technological research, actively promotes the deep integration of financial services and technology, and supports the Chinese path to modernization with high-quality financial development.

FinTech Planning and Management

The Company has formulated the "Three Year Plan for Information Technology Development", committing to building "domestic leading, international first-class" IT service capabilities and supporting the construction of a first-class investment bank. This year, the Company vigorously promoted financial technology innovation and development in areas such as building a global integrated business application system, deepening the layout of digital empowerment, and continuously strengthening organisational support.



Build a globally integrated business application system

The Company is building a globally integrated company level application platform along with globally integrated business application systems to meet the common needs of domestic and foreign businesses in the development process at the company level.



Deepen the layout of digital empowerment

The Company focuses on key issues such as data governance and data sharing, fully leveraging its data analysis and mining capabilities. We also focus on the deep application of big model technology in various businesses, fully utilising AI technology to enhance business value.



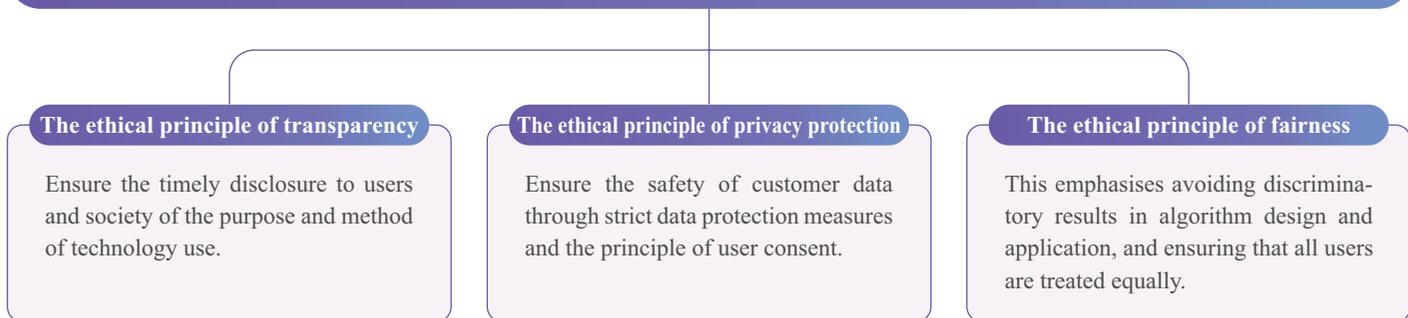
Continuously strengthen organisational support

The Company has established an integrated IT team management system both domestically and internationally, improving the collaboration mechanism between business IT teams and information technology IT teams, continuously strengthening the construction of the financial technology talent team, actively introducing information technology professionals, conducting various professional and technical training, and cultivating a talent team with professional knowledge, comprehensive abilities, and international perspectives.

Strengthening the Governance of Technological Ethics

CITIC Securities adheres to the principle of technology for good, strictly follows domestic and international ethical norms in the process of developing artificial intelligence technology, and actively references international organisation standards and guidelines. In the process of technological development, special attention is paid to ethical principles such as transparency, privacy protection, and fairness. An internal monitoring mechanism has been established and regular self-inspections are conducted to ensure all business activities strictly comply with technological ethics. If violations of technological ethics are found in daily work, the Company will quickly initiate the internal investigation mechanism to hold responsible persons accountable and handle them, including issuing warnings or penalties to employees who violate ethical norms, conducting detailed investigations into the incident, and formulating corresponding corrective measures to ensure that similar situations do not occur again.

Ethical Principles that CITIC Securities Focuses on in its Technology Development Process



In order to further enhance the awareness and importance of technology ethics among all employees, the Company regularly conducts discussions on technology ethics, covering the basic concepts and importance of technology ethics, the interpretation and application of relevant laws and regulations, as well as practical case analysis, to help employees understand how to follow ethical norms in their actual work.

Sustainability Performance

1.Key Environmental Performance Indicators

In 2024, the data covers the head offices of CITIC Securities, CITIC Securities (Shandong), CSI, GoldStone Investment, CITIC Securities Investment, CITIC Futures, CITIC Securities South China and ChinaAMC.

ESG Indicators	Unit	2022	2023	2024
A1. Emissions				
Total GHG Emissions (Scope 1 and 2)	tons	32,997.63	27,270.95	27,366.05
Direct emissions (Scope 1)	tons	1,466.73	1,063.25	1,264.64
Indirect emissions (Scope 2)	tons	31,530.90	26,207.69	26,101.41
GHG emissions per square meter	tons per square meter	0.18	0.15	0.15
Hazardous waste	tons	1.18	1.36	1.48
Hazardous waste per capita	tons per capita	0.0001	0.0002	0.0002
Non-hazardous waste	tons	37.17	51.29	42.91
Non-hazardous waste per capita	tons per capita	0.0042	0.0059	0.0049

Note: (1) Based on the business nature, the main emissions are greenhouse gases (GHG) produced by fuel and refrigerant and purchased electricity and purchased heating converted from fossil fuel.

(2) The Company's GHG inventory includes carbon dioxide, methane and nitrous oxide. Greenhouse gas emission is presented as carbon dioxide equivalent. It is mainly calculated according to IPCC Guidelines for National Greenhouse Gas Inventories (2006, 2019 Edition), the IPCC Fifth Assessment Report, the IPCC Sixth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC), National standard of the People's Republic of China General Principles for Calculation of Total Energy Consumption (GB/T 2589-2020), Baseline Emission Factors for Regional Power Grids in China (2019), the Notice on doing Well in the Report and Verification of Greenhouse Gas Emissions of Enterprises in Some Key Industries from 2023 to 2025 and the Notice on Doing Well in the Report Management of Greenhouse Gas Emissions of Enterprises in the Power Generation Industry from 2023 to 2025 released by Ministry of Ecology and Environment of the PRC, carbon intensity data from HK Electric Investments Sustainability Report 2023, carbon intensity data from CLP Holdings Limited 2023 Sustainability Report, and Requirements for Carbon Dioxide Emission Accounting and Reporting issued by the Beijing Municipal Administration for Market Regulation.

(3) The types of hazardous wastes involved in the company's operations mainly include selenium cartridges, ink cartridges, waste fluorescent tubes and dry cell batteries. All hazardous wastes involved in company operation shall be recycled or disposed by a qualified recycler.

(4) The types of harmless waste mainly include electronic consumable waste, electronic product waste and office equipment waste. All harmless wastes shall be delivered to qualified recyclers recycling or disposal.

ESG Indicators	Unit	2022	2023	2024
A2.Use of Resources				
Total energy consumption	MWh	54,161.34	51,608.72	51,896.50
Direct energy consumption	MWh	3,437.60	4,036.67	4,411.81
Gasoline	MWh	425.30	536.86	516.67
Diesel	MWh	238.91	1.80	-
Natural gas	MWh	2,773.39	3,498.01	3,895.14
Indirect energy consumption	MWh	50,723.74	47,572.06	47,484.69
Purchased electricity	MWh	44,075.78	41,242.23	41,154.86
Purchased heating	MWh	6,647.96	6,329.83	6,329.83
Energy consumption per square meter	MWh per square meter	0.29	0.28	0.28
Water consumption	tons	137,837.00	150,494.64	153,000.36
Water consumption per square meter	tons per square meter	1.00	0.83	0.84

Note: (1) Energy consumption is calculated using the consumption of electricity, gasoline, diesel, natural gas and purchased heating and the conversion factors provided in the PRC national standard, General Principles for Calculation of Total Energy Consumption (GB/T 2589-2020).

(2) Water is sourced from municipal supply, and there is no issue in sourcing water for operation.

(3) Packaging data is not applicable.

2.Key Social Performance Indicators

Unless otherwise stated, the scope of data statistics in 2024 includes CITIC Securities Co., Ltd.

ESG Indicators	Unit	2022	2023	2024
B1. Employment				
B1.1 Total workforce by gender, employment type, age group and geographical region				
Total number of employees on active duty	Person	25,742	26,822	26,781
By the parent company and subsidiaries				
Total number of in-service staff of the Parent	Person	15,616	16,244	15,652
Number of in-service staff of principal subsidiaries	Person	10,126	10,578	11,129
Number of retired staff for which the Parent and principal subsidiaries are responsible for their expenses	Person	533	634	776
By business category				
Business staffs	Person	20,729	21,343	21,301
IT staffs	Person	1,572	1,916	1,935
Financial staffs	Person	525	526	513
Administrative staffs	Person	441	447	413
Others (including clearing & settlement, risk management, legal, compliance, supervision audit, etc.)	Person	2,475	2,590	2,619
By gender				
Male	Person	13,302	14,168	13,813
Female	Person	12,440	12,654	12,968
By employment type				
Regular employees	Person	24,589	25,465	25,030
Brokers	Person	0	0	0
Dispatched employees	Person	1,153	1,357	1,751
By educational background				
Doctor's degree	Person	341	359	347
Master's degree	Person	10,414	11,517	11,708
Bachelor's degree	Person	13,883	13,904	13,360
Associate's degree and below	Person	1,104	1,042	1,366

ESG Indicators	Unit	2022	2023	2024
By age				
Aged below 30	Person	10,787	11,114	11,160
Aged between 30 and 50	Person	13,751	14,438	14,497
Aged above 50	Person	1,204	1,270	1,124
By geographical region				
Chinese Mainland	Person	23,452	24,483	24,739
Hong Kong, Macao and Taiwan, China	Person	1,349	1,400	894
Others	Person	941	939	1,148
B1.2 Employee turnover rate by gender, age group and geographical region ⁽¹⁾				
Total employee turnover rate	%	8.52	8.88	9.69
By gender				
Male	%	9.07	7.37	10.10
Female	%	7.92	10.57	8.81
By age				
Aged below 30	%	11.68	13.54	14.12
Aged between 30 and 50	%	6.42	5.78	5.62
Aged above 50	%	4.07	3.39	3.41
By geographical region				
Chinese Mainland	%	7.83	8.42	8.54
Hong Kong, Macao and Taiwan, China	%	12.53	12.43	13.76
Others	%	19.77	15.55	12.28

Note: (1) The statistical definition of employee turnover rate is the employee voluntary turnover rate, excluding termination of employment relationship due to dismissal, retirement or death.

ESG Indicators	Unit	Data
B2. Health and Safety		
B2.1 Number and rate of work-related fatalities occurred in each of the past three years		
Number of work-related fatalities in 2022	Person	0
Number of work-related fatalities in 2023	Person	0
Number of work-related fatalities in 2024	Person	0
Rate of work-related fatalities in 2022	%	0
Rate of work-related fatalities in 2023	%	0
Rate of work-related fatalities in 2024	%	0
B2.2 Lost days due to work injury		
Lost days due to work injury	Day	624

Note: (1) The statistical scope of the number of working days lost due to work-related injuries is the parent company of CITIC Securities, excluding branches.

ESG Indicators	Unit	2022	2023	2024
B3. Development and Training				
B3.1 The percentage of employees trained by gender and employee category				
Percentage of trained male employees	%	100	100	100
Percentage of trained female employees	%	100	100	100
By employee category				
Percentage of trained management personnel	%	100	100	100
Percentage of trained non-management personnel	%	100	100	100
B3.2 The average training hours completed per employee by gender and employee category				
By gender				
Average training hours completed by male employees	Hour	125.79	119.83	123.00
Average training hours completed by female employees	Hour	125.78	119.96	123.00
By employee category				
Average training hours completed by management personnel	Hour	117.55	112.20	183.00
Average training hours completed by non-management personnel	Hour	126.03	120.10	121.00

Note: The statistical scope of the data is the parent company of CITIC Securities, excluding branches.

ESG Indicators	Unit	2022	2023	2024
B5. Supply Chain Management				
B5.1 Number of suppliers by geographical region				
Chinese Mainland	-	1,213	1,361	1,617
Other	-	36	64	48

Note: The statistical scope of supplier data is the parent company of CITIC Securities.

ESG Indicators	Unit	2022	2023	2024
B6. Product Responsibility				
Number of customers consulted	Pcs	996,351	795,264	993,782
Number of customer complaints received	Pcs	232	257	466
Number of Overall Customer Satisfaction Surveys Conducted	Pcs	330,157	271,845	308,714
Customer satisfaction	%	99.37	99.35	99.42

Note: (1) The statistics scope of data is taken from the customer contact center platform and the intelligent online management platform, including brokerage business, custody business, asset management business, etc.

(2) The data is taken from the total quantity of complaints accepted by the 12386 CSRC hotline platform, regulatory agency referrals, customer service hotlines and branches.

Appendix

Report Content Index

1.Index of the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies —Sustainability Report (for Trial Implementation)

Disclosure Requirements	Index
Climate change tackling	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
Pollutant discharge	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Waste disposal	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Ecosystem and biodiversity conservation	2. Green Development to Guard Clear Waters and Green Mountains
Environmental compliance management	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Energy usage	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Usage of water resources	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Circular economy	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Rural revitalization	4. Embracing Charity to Build a Better Community Together - Continuously Supporting Rural revitalization
Contributions to the society	4. Embracing Charity to Build a Better Community Together - Committing to Public Welfare Projects
Innovation-driven	6. Upholding Integrity in Business Operations and Enabling Sound development - Strengthening Data Governance
Ethics of science and technology	6. Upholding Integrity in Business Operations and Enabling Sound development - Strengthening Data Governance
Supply chain security	4. Embracing Charity to Build a Better Community Together - Deepening Mutually Beneficial Partnerships

Disclosure Requirements	Index
Equal treatment to small and medium-sized enterprises	4. Embracing Charity to Build a Better Community Together - Deepening Mutually Beneficial Partnerships
Safety and quality of products and services	3. Improving Services to Boost Customer Trust - Protecting Customer Rights and Interests
Data security and customer privacy protection	3. Improving Services to Boost Customer Trust - Customer Privacy and Information Security
Employees	5. People — Growing with the Company
Due diligence	6. Upholding Integrity in Business Operations and Enabling Sound development - Improving the Risk Management System
Communications with stakeholders	Strategy and Management - stakeholder Engagement
Anti-commercial bribery and anti-corruption	6. Upholding Integrity in Business Operations and Enabling Sound development - Ensuring Integrity and Compliance in Business Operations
Anti-unfair competition	6. Upholding Integrity in Business Operations and Enabling Sound development - Ensuring Integrity and Compliance in Business Operations

2.HKEX ESG Reporting Code Content Index

Aspects	Content and Indicators	Index
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	Statement of the Board of Directors Strategy and Management - Sustainability Management
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About This Report - Reporting Principles

Aspects	Content and Indicators	Index
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About This Report - Reporting Scope
A. Environmental		
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Promoting Green and Low-carbon Operations
	KPI A1.1 The types of emissions and respective emissions data.	Sustainability Performance - Key Environmental Performance Indicators
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.5 Description of emissions target(s) set and steps taken to achieve them.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Promoting Green and Low-carbo Operations
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbo Operations
	KPI A 2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Sustainability Performance - Key Environmental Performance Indicators
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	

Aspects	Content and Indicators	Index
	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbo Operations
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer’s significant impact on the environment and natural resources.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Promoting Green and Low-carbo Operations
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
	KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
B. Social		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti- discrimination, and other benefits and welfare.	5. People — Growing with the Company - Promoting Diversity and Inclusion in the Workplace
	KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	Sustainability Performance - Key Social Performance Indicators
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5. People — Growing with the Company - Caring for the Healthy Life of Employees

Aspects	Content and Indicators	Index
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Sustainability Performance - Key Social Performance Indicators
	KPI B2.2 Lost days due to work injury.	
	KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	5. People — Growing with the Company - Caring for the Healthy Life of Employees
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5. People — Growing with the Company - Promoting an All-round Development for Employees
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Sustainability Performance - Key Social Performance Indicators
	KPI B3.2 The average training hours completed per employee by gender and employee category.	
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5. People — Growing with the Company - Promoting Diversity and Inclusion in the Workplace
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	4. Embracing Charity to Build a Better Community Together - Deepening Mutually Beneficial Partnerships
	KPI B5.1 Number of suppliers by geographical region.	Sustainability Performance - Key Social Performance Indicators
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	

Aspects	Content and Indicators	Index
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4. Embracing Charity to Build a Better Community Together
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	- Deepening Mutually Beneficial Partnerships
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3. Improving Services to Boost Customer Trust - Protecting Customer Rights and Interests - Create High-quality Service Experience - Customer Privacy and Information Security
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	KPI B6.2 Number of products and service-related complaints received and how they are dealt with.	Sustainability Performance - Key Social Performance Indicators
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	6. Upholding Integrity in Business Operations and Enabling Sound development - Ensuring Integrity and Compliance in Business Operations
	KPI B6.4 Description of quality assurance process and recall procedures.	3. Improving Services to Boost Customer Trust - Protecting Customer Rights and Interests
	KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	3. Improving Services to Boost Customer Trust - Protecting Customer Rights and Interests - Customer Privacy and Information Security

Aspects	Content and Indicators	Index
Aspect B7: Anti- corruption	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p> <hr/> <p>KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p> <hr/> <p>KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p> <hr/> <p>KPI B7.3 Description of anti-corruption training provided to directors and staff.</p>	<p>6. Upholding Integrity in Business Operations and Enabling Sound development</p> <p>- Ensuring Integrity and Compliance in Business Operations</p>
Aspect B8: Community Investment	<p>General disclosure</p> <p>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p> <hr/> <p>KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p> <hr/> <p>KPI B8.2 Resources contributed (e.g. money or time) to the focus area.</p>	<p>3. Improving Services to Boost Customer Trust</p> <p>- Promoting Investor Education</p> <p>4. Embracing Charity to Build a Better Community Together</p> <p>- Continuously Supporting Rural revitalization</p> <p>- Committing to Public Welfare Projects</p>
Climate-related Disclosures⁽¹⁾		
(I) Governance		
(I) Governance	<p>An issuer shall disclose information about:</p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; and</p> <p>(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Climate Change Risk Management</p>
(II) Strategy		
Climate-related risks and opportunities	<p>An issuer shall disclose its assessment of any climate-related risks reasonably likely to have a material effect on the issuer's business model, strategy and cash flows, its access to finance and its cost of capital, which may manifest in the short, medium or long term.</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Identification of Risks and Opportunities</p>

Aspects	Content and Indicators	Index
Business model and value chain	<p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:</p> <p>(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and</p> <p>(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Identification of Risks and Opportunities</p>
Strategy and decision-making	<p>An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph (a). An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph (a).</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Identification of Risks and Opportunities</p>
Financial position, financial performance and cash flows	<p>Current financial effect</p> <p>An issuer shall disclose qualitative and quantitative information about:</p> <p>(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and</p> <p>(b) the climate-related risks and opportunities identified in paragraph (a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Identification of Risks and Opportunities</p>
	<p>Anticipated financial effect</p> <p>The issuer shall provide qualitative and quantitative disclosures about:</p> <p>(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities; and</p> <p>(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p>	
Climate resilience	<p>An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties. Specifically, the issuer shall disclose:</p> <p>(a) the issuer's assessment of its climate resilience as at the reporting date; and</p> <p>(b) how and when the climate-related scenario analysis was carried out.</p>	/

(III) Risk Management

Aspects	Content and Indicators	Index
Climate-related risks and opportunities	<p>An issuer shall disclose information about:</p> <p>(a) the processes and related policies it uses to identify, assess, prioritize and monitor climate-related risks;</p> <p>(b) the processes the issuer uses to identify, assess, prioritize and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</p> <p>(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.</p>	<p>Green Development to Guard Clear Waters and Green Mountains</p> <p>- Actively Addressing Climate Change</p> <p>- Climate Change Risk Management</p> <p>- Identification of Risks and Opportunities</p>
(IV) Metrics and Targets		
Greenhouse gas emissions	<p>An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:</p> <p>(a) Scope 1 greenhouse gas emissions;</p> <p>(b) Scope 2 greenhouse gas emissions; and</p> <p>(c) Scope 3 greenhouse gas emissions.</p>	<p>Sustainability Performance</p> <p>- Key Environmental Performance Indicators⁽²⁾</p>
Greenhouse gas emissions measuring method	<p>An issuer shall:</p> <p>(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p> <p>(b) disclose the approach it uses to measure its greenhouse gas emissions;</p> <p>(c) for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and</p> <p>(d) for Scope 3 greenhouse gas emissions disclosed, disclose the categories included within the issuer’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</p>	<p>Sustainability Performance</p> <p>- Key Environmental Performance Indicators</p>
Climate-related transition risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	/
Climate-related physical risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	/
Climate-related opportunities	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	/
Capital deployment	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/

Aspects	Content and Indicators	Index
Internal carbon prices	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making; and (b) the price of each metric ton of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	Not Applicable ⁽³⁾
Remuneration	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	/
Industry-based metrics	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.	/
Climate-related targets	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Strategy and Management – Sustainability Model 2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Metrics and Targets - Promoting Green and Low carbon Operations
	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	/
	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance.	/

Note: (1) Since the amendments to the Listing Rules of the Stock Exchange of Hong Kong Limited and the ESG Reporting Code (the "2024 Amendments") adopted in the Consultation Conclusions on Enhancement of Climate-related Disclosures Under the Environmental, Social, and Governance Framework will become effective for the financial years beginning on or after January 1, 2025, the Company will pay attention to the phased approach to meet the new climate-related disclosure provisions set out in Part D of Appendix C2 to the HKEx Listing Rules, and consider appropriate disclosure in the future years.

(2) The Company plans to make appropriate disclosures on specific categories of Scope 3 GHG emissions in the future.

(3) The Company currently has no internal carbon pricing related mechanism.

3.The Recommendations of the Task Force on Climate-related Financial Disclosures

Pillars	Content and Indicators	Index	
Governance Structure	Disclose the organization's governance in relation to climate-related risks and opportunities	a) Describe the board's monitoring of climate-related risks and opportunities b) Describe the management's role in assessing and managing climate-related risks and opportunities.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change We are evaluating the feasibility of implementing climate change scenario analysis And the plan will be implemented according to the assessment in the future.
Risk Management	Disclose how the organisation identifies, assesses and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Sustainability Performance - Key Environmental Performance Indicators

4.Content Index of Shenzhen Guidelines on Environmental Information Disclosure for Financial Institutions

Indicators		Index
Basic Information		About Our Company
Strategic goals	Targets related to environment and green finance	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
	Development strategies related to environment and green finance	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
Governance structure	Board	Strategy and Management - Sustainability Management
	Senior management	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
	Professional department	
Policy and system	Internal policies (current policies and systems related to environment and green finance; new policies implemented during the reporting period)	CITIC Securities Company Limited Environmental Protection Policy; CITIC Securities Company Limited Climate Change Policy; CITIC Securities Company Limited Responsible Investment Statement; CITIC Securities Company Limited Environmental and Social Risk Management Framework.
	External policies (compliance with external environmental, climate and green finance related policies and regulations)	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Promoting Green and Low-carbon Operations
Environmental risk management	Environmental risk and opportunity management mechanism	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
	Identified environmental risks and opportunities	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change
Environmental impact of business activities	Energy consumption of business activities	2. Green Development to Guard Clear Waters and Green Mountains - Actively Addressing Climate Change - Promoting Green and Low-carbon Operations
	Business and office water consumption	Sustainability Performance - Key Environmental Performance Indicators
	Business office paper consumption	
	Waste discharge from business premises	
	Total direct and indirect greenhouse gas Emissions (Scope 1 to Scope 3)	

Indicators		Index
Environmental impact of business activities	Environmental impact of business activities	2. Green Development to Guard Clear Waters and Green Mountains - Promoting Green and Low-carbon Operations
Environmental impact of investment and financing activities	Overall investment and financing situation	2. Green Development to Guard Clear Waters and Green Mountains - Developing Sustainable Finance
	Green investment and financing activities	FEATURE 1: Focusing on The Five Major Areas to Contribute to High-quality Development - Exploring Green Financial Innovation and Implementing Sustainable Practices 2. Green Development to Guard Clear Waters and Green Mountains - Developing Sustainable Finance
	Environmental benefits of green investment and financing activities	In view of the fact that there is no public calculation method at present, and the data base of the company is not perfect at this stage, the relevant information will not be disclosed temporarily for the sake of prudence, and will be disclosed in due course in the future.
	Overall carbon emissions from investment and financing activities	
	Carbon footprint of investment and financing activities	
Innovation and research	Green finance research	FEATURE 1: Focusing on The Five Major Areas to Contribute to High-quality Development - Exploring Green Financial Innovation and Implementing Sustainable Practices 2. Green Development to Guard Clear Waters and Green Mountains - Developing Sustainable Finance
	Green finance Achievement Award	About Our Company - Honours in 2024 FEATURE 1: Focusing on The Five Major Areas to Contribute to High-quality Development - Exploring Green Financial Innovation and Implementing Sustainable Practices 2. Green Development to Guard Clear Waters and Green Mountains - Developing Sustainable Finance
	Green finance innovation practice cases	FEATURE 1: Focusing on The Five Major Areas to Contribute to High-quality Development - Exploring Green Financial Innovation and Implementing Sustainable Practices 2. Green Development to Guard Clear Waters and Green Mountains - Developing Sustainable Finance
Data quality management	Data combing, verification, and protection	3. Improving Services to Boost Customer Trust - Customer Privacy and Information Security
	Data security emergency plan	



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