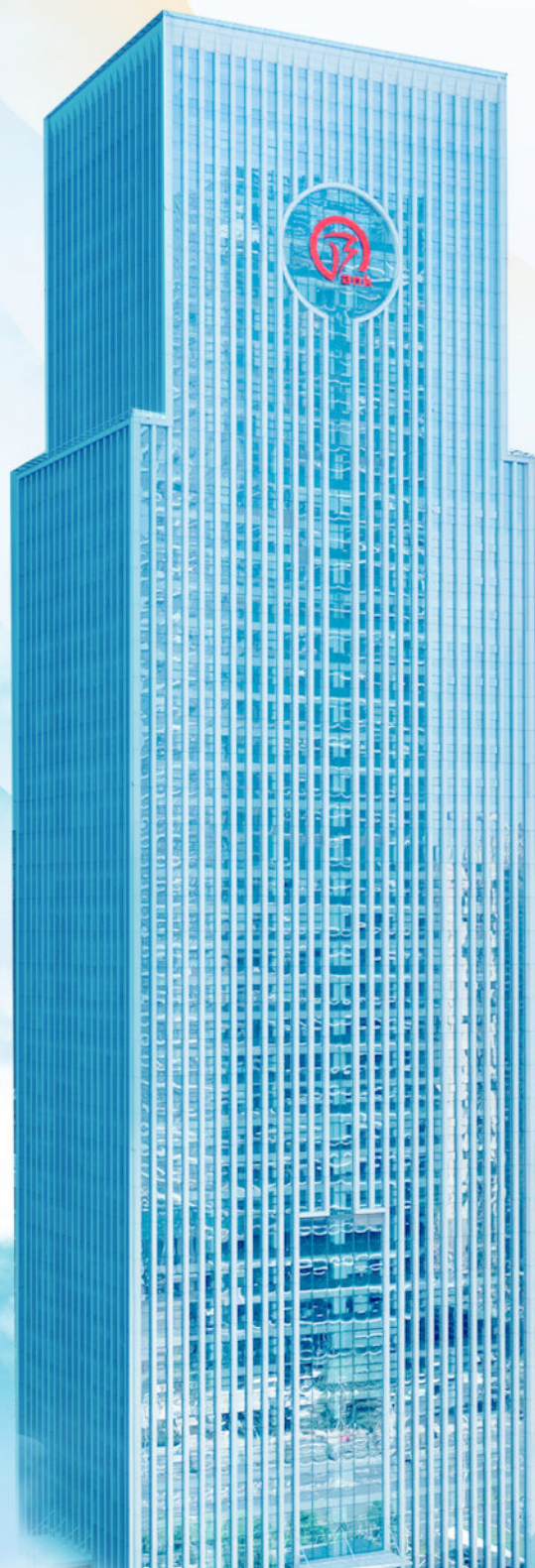




2024

Social Responsibility Report



HUI SHANG BANK CORPORATION LIMITED

About This Report

Huishang Bank Corporation Limited hereby issues the Bank's social responsibility report for the purposes of assisting all its stakeholders in understanding the Bank's ideas, practices, and achievements in sustainable development in 2024. This report is the 10th Social Responsibility Report we have published since 2015.

Reporting Scope



This report includes Huishang Bank Corporation Limited, its branches and sub-branches. This report is an annual report covering the period from January 1, 2024 to December 31, 2024. To ensure the completeness and coherence of the narrative, some content in this report goes beyond the above-mentioned scope.

Abbreviations



For ease of expression, "Huishang Bank Corporation Limited" is also referred to as "Huishang Bank", "the Bank" or "We" in this report.

References



This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* issued by the Stock Exchange of Hong Kong Limited and the *GRI Sustainability Reporting Standards* (GRI Standards) (2021) issued by the Global Sustainability Standards Board (GSSB), with reference to:

- *Opinions on Strengthening the Social Responsibility of Banking Financial Institutions* issued by the former China Banking Regulatory Commission;
- *Guidelines on the Corporate Social Responsibility of Banking Financial Institutions of China* issued by the China Banking Association;
- *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) and *IFRS S2 Climate-related Disclosures* (IFRS S2) issued by the International Financial Reporting Standards Foundation (IFRS Foundation);
- *Guidance on Social Responsibility* (ISO 26000: 2010) issued by the International Organization for Standardization (ISO);
- *Guidance on Social Responsibility Reporting* (GB/T 36001-2015) issued by the Standardization Administration of China;
- *Standard for Commercial Banks* issued by the Sustainability Accounting Standards Board (SASB);
- UN Sustainable Development Goals (SDGs).



Principles of this Report



This report is prepared in accordance with the reporting principles of materiality, quantification, consistency and balance.

"Materiality": This report identifies key stakeholders and determines key social responsibility issues through stakeholder engagement and materiality assessment.

"Quantification": This report presents the key performance indicators (KPIs) of environmental and social aspects in quantitative terms and includes descriptions of the indicator calculation methods, key assumptions, and sources of calculation factors to clarify their purposes and impacts. In addition, necessary comparative data is provided.

"Consistency": This report is consistent with the statistical and KPI disclosure methods used in *Huishang Bank's 2023 Social Responsibility Report*. Any minor adjustments are noted in the annotations.

"Balance": This report adheres to the principle of balance by fairly and objectively explaining the positive and negative impacts, mitigation measures, and performance of Huishang Bank across various material ESG issues, providing a comprehensive overview of the current status of the Bank's ESG management.

Data Sources



The financial data presented in this report are all from *Huishang Bank's 2024 Annual Report* ("Annual Report"), which has been independently audited by Ernst & Young Hua Ming LLP (Special General Partnership), while others are from relevant statistical reports or official documents of the Bank. If there are any discrepancies in the listed data, the annual report shall prevail. Unless otherwise specified, the currency involved in this report is measured in Renminbi (RMB).

Report Availability



This report is available in both hard and electronic copies. The electronic copies can be viewed on the Bank's official website at <http://www.hsbank.com.cn/> and the HKEXnews website at <https://www1.hkexnews.hk/search/titlesearch.xhtml>. This report is published in both Simplified and Traditional Chinese, as well as in English. In case of any discrepancy, the Simplified Chinese version shall prevail.

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Chairman's Statement

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In 2024, under the strong leadership of the CPC Anhui Provincial Committee and the People's Government of Anhui Province, Huishang Bank thoroughly implemented the guiding principles from General Secretary Xi Jinping's important speech during his visit to Anhui. We actively promoted the political and people-oriented nature of financial work, striving to advance the development of technology finance, green finance, inclusive finance, pension finance, and digital finance. We accelerated high-quality development while fulfilling our social responsibilities and meeting people's needs for a better life, effectively demonstrating the Bank's image as a responsible, courageous, and compassionate corporate citizen.

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The Bank prioritizes guidance through Party building and establishes a solid foundation for people-oriented governance.

We always prioritize the Party's political development, focusing on studying, promoting, and implementing the guiding principles from the third plenary session of the 20th CPC Central Committee, as well as General Secretary Xi Jinping's important speech during his visit to Anhui Province. We have strengthened Party leadership and improved corporate governance in a coordinated manner, ensuring that the Party organization consistently sets the right direction, keeps in mind the big picture, and ensures the implementation of relevant policies and principles. As a result, we have been rated as "excellent" in the comprehensive assessment by the CPC Anhui Provincial Committee. We have consistently strengthened primary-level Party organizations, vigorously fostered and promoted a financial culture with Chinese characteristics, and made solid progress in advancing Party discipline education. We have diligently rectified the issues identified during the re-examination by the CPC Anhui Provincial Committee, further highlighting the Party's role in supervising finance. We have made efforts to improve conduct, enforce discipline, and combat corruption. The Party Conduct and Integrity Education Hall has been officially unveiled. Additionally, the "Incorruptible Huishang Bank" supervision platform, the first of its kind in Anhui Province, is now operational. We adhere to the strategy of "developing a quality workforce" by actively embracing the principles of "attracting ambitious individuals, nurturing adaptable talents, and leveraging competent professionals". This approach has established a new norm within the Bank: "promoting the capable, rewarding the outstanding, demoting the mediocre, and eliminating the underperformers". Focusing more on growing into a learning-based organization and a research-oriented bank, we are committed to building an innovative workforce equipped with knowledge and skills. To achieve this, we have established distinctive training programs such as "Huizhuo", "Huiying", "Huidun", and "Huixing", aimed at providing comprehensive training and education for all employees. Approximately 95% of our employees hold a bachelor's degree or higher, nearly 20% possess intermediate or senior professional titles, and the local employment rate exceeds 85%. We vigorously carry forward the spirit of model workers, hard work and craftsmanship, striving to provide everyone at Huishang Bank with the opportunity to excel and realize their value. The enthusiasm and creativity of our employees are helping to shape a renewed and prosperous Huishang Bank.

Centered on serving entities, the Bank takes on the responsibilities of a provincial bank.

Based in Anhui, we are dedicated to serving the overarching initiatives while aligning closely with local economic development, contributing to elevating the industry to new heights and promoting the development of an intelligent and green industry. We are proud to lead the province in new loan issuance, and for several consecutive years, we have received an "excellent" rating in the provincial government's assessment of our support for local development. In 2024, we were awarded the first prize in the province's exclusive labor competition for finance supporting high-quality development. We proactively advanced scientific and technological innovation, promoting the integrated, high-quality development of the Yangtze River Delta. By strategically positioning finance within the "four-chain" integration, we leveraged financial innovation to support scientific and technological innovation and industrial innovation, thereby fueling the development of new quality productive forces. The balance of loans

for technology-based enterprises reached RMB 81.5 billion, marking a 36.8% increase and surpassing three thresholds of RMB 10 billion within the year. We aimed to be a driving force behind industrial upgrading, with balance of loans for strategic emerging industries reaching RMB 126.16 billion. Additionally, we provided credit facilities amounting to RMB 114.4 billion for the new energy vehicle industry in Anhui Province, financing 1,702 upstream and downstream customers. To demonstrate our commitment to "brand power" in green finance, we established comprehensive, multi-level green financial product portfolios. Our green credit balance reached RMB 115.9 billion, marking a 40.6% increase. We implemented a range of measures to advance rural revitalization and promote the high-quality development of county-level institutions. The balance of agriculture-related loans reached nearly RMB 180 billion, representing an increase of over 15% compared to the end of the previous year. We also made solid progress in guiding the construction of credit villages through Party building, and have consistently received "good" ratings for our targeted assistance efforts for several consecutive years. In our commitment to promoting inclusive finance, we improved the long-term mechanism of "being confident, willing and able to grant loans", ranking first in the province for the balance of inclusive loans for small and micro enterprises. The balance of loans for private enterprises reached RMB 177.7 billion, marking a year-on-year increase of RMB 12.8 billion. These achievements underscore our financial commitment to creating a market-oriented, rule-of-law, and world-class business environment.

Using "finance for people" as the guiding principle, the Bank paints a vivid picture of a better life.

As a customer-centric bank, we are committed to advancing the supply-side structural reform of the financial sector. By effectively integrating resources including commercial banks, investment banks, transaction banks, digital banks, and financial lease wealth management, we aim to establish a comprehensive, professional, and digital financial service system. We have been selected as one of the top ten national trend brands in Hefei, a "National Trend City" recognized by CCTV. Our dynamic financial services have benefited the Yangtze-Huaihe region, serving thousands of clients. In our commitment to boosting consumption and meeting people's needs for a better life, our personal consumption loans increased by 21.4%, and our new housing loans ranked first in the province. We refined the wealth management system to facilitate the wealth appreciation and common prosperity of residents. The market share of savings deposits in the province surpassed 10.9%. Personal assets under management (AUM) reached RMB 823.1 billion. Our customer base now includes over 26 million individual customers and more than 1.1 million wealth management customers. Our commitment to delivering exceptional financial services has successfully reached thousands of households. We accelerated our digital transformation and online operations by successfully launching remote banking and Mobile Banking 7.0, which now serve 10.92 million mobile banking customers. Our high-quality, convenient financial services are readily accessible to our customers. By embracing a people-centered development approach, we have significantly enhanced our financial services for both the elderly and the young, and made solid progress in transforming our outlets to be elderly-friendly, ensuring meticulous, people-oriented services for our elderly customers. To this end, we have opened a total of 102 "Changchunhua" elderly-friendly outlets. Moreover, we have launched "Huichengzhang" children's financial products and introduced easy access to local social security services. For several consecutive years, we have consistently ranked first in the banking industry when it comes to resident satisfaction surveys within the province's service industry.

With transformation and innovation as the sail, the Bank embarks on a new journey of high-quality development.

With total assets exceeding RMB 2 trillion, we achieved double-digit growth in both deposits and loans and held the leading market share among commercial banks in the province. For the first time, our loan size exceeded RMB 1 trillion, and our revenue continued to experience positive growth, with our net profit reaching nearly RMB 16 billion. Overall, our key business indicators were at their best in history. We recorded a decline in both the non-performing loan ratio and balance for four consecutive years. Notably, the non-performing loan ratio dropped below 1% for the first time in nine years. With robust strategies and long-term planning of the Bank's Party Committee, we implemented "Nine Improvement Projects" with a high standard, aiming to build core competitiveness for the new phase of development. Our innovation capabilities positioned us among the top urban commercial banks. We accelerated our business transformation and vigorously promoted key businesses such as investment bank bond issuance, supply chain finance, and the online and offline integrated development of small businesses. As a result, we secured a leading position in both investment bank bond issuance and supply chain financing within the province. Our asset custody stabilized at a level of RMB 1 trillion, and our intensive management capabilities saw continuous improvement. We achieved remarkable results in digital transformation, consistently implemented our strategic plan for fintech, accelerated the integration of business, technology, and data, and attained independent control over our main core systems. As the only banking financial institution in Anhui Province, we won the Fintech Development Award issued by the People's Bank of China. Our brand influence continues to grow, as demonstrated by the successful hosting of the "Huitongying" Interbank Business Brand Launch Conference & Seminar on Cooperation and Development of Financial Institutions in the Yangtze River Delta. We successfully issued RMB 10 billion of perpetual bonds, achieving a record-low interest rate for the Bank's capital bond issuance. Additionally, we achieved the best ratings from the People's Bank of China and have been selected as a primary dealer for open market operations for 19 consecutive years. Today, Huishang Bank is attracting an increasing number of friends and partners, gaining stronger momentum in customer recognition, peer trust, and market reputation. Our corporate brand image has reached new heights.

2025 marks the conclusion of the "14th Five-Year Plan". Under the strong leadership of the CPC Anhui Provincial Committee and the People's Government of Anhui Province, we will follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We will strive to advance the development of technology finance, green finance, inclusive finance, pension finance, and digital finance. Our goal is to create value for society, provide services for our customers, build platforms for our employees, and deliver benefits to our shareholders. Through these efforts, we aim to inject robust financial momentum into the accelerated development of "three regions and one district" and the comprehensive construction of a beautiful Anhui!

Secretary of the Party Committee and Chairman of the Bank
Yan Chen

President's Statement

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In 2024, Huishang Bank followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We thoroughly studied and implemented the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee. We actively promoted the political and people-oriented nature of financial work, facilitated the Bank's transformation in a coordinated manner, and comprehensively improved our professional capabilities. We took concrete steps to promote the development of technology finance, green finance, inclusive finance, pension finance, and digital finance, achieving Huishang Bank's results that synergize social responsibility and value creation. By the end of the year, the Bank's total assets surpassed the RMB 2-trillion threshold. Our loan balance exceeded RMB 1 trillion for the first time, and we achieved a net profit of nearly RMB 16 billion. Our actual tax payments were over RMB 7.3 billion, and we employed over 12,000 regular staff members.

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Optimizing financial supply to empower the real economy.

Focusing on serving the development of new quality productive forces, we have consistently increased credit allocation to facilitate the development of "three regions and one district". Throughout the year, the total value of loans and advances grew by RMB 127.94 billion. Specifically, loan balances for strategic emerging industries, manufacturing, and technology-based enterprises reached RMB 126.16 billion, RMB 134.66 billion, and RMB 81.47 billion, respectively, representing increases of 17.9%, 22.7%, and 36.8%. We fully met all our policy loan targets. For several consecutive years, we have received an "excellent" rating from the People's Government of Anhui Province for our support for local development. We diligently implemented policy requirements, such as the financing coordination mechanisms for real estate and small and micro enterprises. The balance of inclusive loans for small and micro enterprises reached RMB 154.4 billion. We allowed over 4,700 small and micro enterprises to renew loans totaling RMB 25.5 billion without requiring the repayment of principal. Additionally, we issued RMB 6.25 billion in loans for 30 projects on the "white list" under the real estate financing coordination mechanism. Our commitment to serving private enterprises remained strong, with the balance of our loans to these businesses reaching RMB 177.7 billion, marking a year-on-year increase of RMB 12.8 billion.

Contributing to rural revitalization by serving agriculture, rural areas, and farmers.

We refined the financial service framework for rural revitalization and developed a special action plan for the high-quality development of county-level institutions. By actively aligning with the needs of rural specialty industries, we launched products such as the "Huinong Revitalization Loan" and the "Seed Industry Loan" to support the diversified development of rural industries. The balance of agriculture-related loans reached RMB 178.2 billion, representing an increase of 16.4% compared to the beginning of the year. We effectively implemented village assistance programs, with a focus on guiding the construction of credit villages through Party building. The balance of loans for these efforts reached RMB 10.8 billion, representing an increase of 147.9% compared to the beginning of the year. We received a "good" rating in the assessment of targeted assistance efforts provided by organizations directly under the provincial government.

By embracing the "Two Mountains" Theory, remaining deeply committed to green and low-carbon transition.

With a focus on the industrial opportunities and capital requirements on the path to carbon peaking and carbon neutrality, we worked hard to promote green finance and launched innovative green financial products. Notably, we established a specialized green finance sub-branch, aiming to build a targeted and efficient green financial service system. We invested



in China's first corporate bond focused on "Carbon Neutrality, Rural Revitalization, and High-growth Industries", as well as Anhui Province's first green medium-term note in 2024. We successfully applied for the first carbon emission reduction facility in the province, and issued the province's first green sustainability-linked loan to support the steel industry. In terms of green finance, we won the first prize in the labor competition on five major areas of finance in Anhui Province. By the end of the year, the Bank's green credit balance reached RMB 115.9 billion, marking an increase of 40.6%.

Driving transformation and innovation to improve the customer service experience.

Adhering to the original mission of "finance for people", we efficiently advanced the development of a digital bank. Notably, we launched remote banking and Mobile Banking 7.0, significantly enhancing our online channel service capabilities. As the only banking financial institution in Anhui Province, our project received the third prize of the Fintech Development Award issued by the People's Bank of China. We continued our efforts to improve the quality and efficiency of consumer rights protection by establishing a fast-track resolution mechanism for small claims disputes and disseminating financial knowledge through various channels. Additionally, we were recognized as one of the top 100 civilized and standardized service outlets in China. For 10 consecutive years, we have ranked first in customer satisfaction surveys within Anhui Province's banking industry. We actively developed pension finance, as demonstrated by the establishment of 102 "Changchunhua" elderly-friendly payment service outlets. Additionally, we introduced a large font version and a simplified E version of our mobile banking services, along with the launch of easy access to local social security services. These initiatives have significantly improved the standards of our elderly-friendly services.

Following a prudent approach to ensure legal and compliant operations.

We implemented actions to improve internal control and compliance management capabilities, strengthened special governance in credit, and advanced the digital transformation of credit risk management throughout the process. We continuously enhanced independent risk control capabilities. For several consecutive years, we have received the highest ratings in the comprehensive evaluations for adhering to relevant regulations of the People's Bank of China. Through our efforts, the non-performing loan ratio dropped below 1% for the first time since 2016. Additionally, we saw a decline in both the non-performing loan amount and ratio. The provision coverage ratio was nearly 290%, up 14.5 percentage points from the beginning of the year. We conducted a focused campaign to eliminate potential work safety hazards and effectively implemented the requirements regarding letter-or-visit matters, as well as public opinion monitoring. These efforts consistently strengthened our awareness of security. As a result, we were honored with the title of "Excellent Organization for Handling Letter-or-Visit Matters in Anhui Province".

Emphasizing a people-centered approach to foster the growth and development of the Bank's employees.

We continued to improve our code of conduct by developing an action plan to eliminate the practices of pointless formalities, thereby reducing the burden on primary-level organizations. We organized selections for "Outstanding CPC Members", "Outstanding Party Workers", and "Advanced Primary-level Party Organizations", as well as "Top Ten Outstanding Youth". Through these initiatives, we have firmly established a clear focus on hard work and accomplishments. We strengthened the development of our talent team by consistently expanding recruitment channels and establishing multi-level training systems, such as the "Huizhuo Plan" and "Huidun Plan". Through these efforts, we have comprehensively improved the overall quality and competitiveness of our talent team. We strived to create a diverse and inclusive workplace by strictly adhering to labor standards, using fairness and justice as the foundation to build a scientifically sound salary system. We also provided compassionate support for female employees and employees in need. In 2024, we were selected as one of China's top 100 model employers.

2025 marks the 20th anniversary of the establishment of Huishang Bank. This year is also crucial for us to remain true to our original aspirations and continue our efforts with determination. Adhering to a proactive and pioneering spirit, we will advance the nine improvement projects, foster transformation, and enhance our professional capabilities. We aim for new achievements by enhancing the technology finance supply, optimizing the quality and efficiency of inclusive financial services, and consolidating the foundation of asset quality. Our goal is to embark on a new journey of high-quality development, positioning Huishang Bank as a leading financial institution in the development of "three regions and one district", while contributing to Anhui province's role in Chinese path to modernization!

Deputy Secretary of the Party Committee and President of the Bank
Kong Qinglong

About the Bank

Headquartered in Hefei, Anhui Province, Huishang Bank is the first banking institution in China jointly established by city commercial banks and urban credit cooperatives, with the approval of the former China Banking Regulatory Commission. The Bank was incorporated on April 4, 1997, and was renamed "Huishang Bank Corporation Limited" on November 30, 2005. On December 28, 2005, the Bank officially merged with five city commercial banks—Wuhu, Ma'anshan, Anqing, Huaibei, and Bengbu—and seven urban credit cooperatives—Lu'an, Huainan, Tongling, Fuyang Technology, Fuyang Xinying, Fuyang Yinhe, and Fuyang Jinda—all located in Anhui Province, marking its formal inauguration. The bank officially commenced operations on January 1, 2006. On November 12, 2013, the Bank's H shares were listed on the main board of the Hong Kong Stock Exchange under the stock code "3698". The Bank holds a financial institution license (No. B0162H234010001) issued by the former China Banking Regulatory Commission Anhui Office, and a business license with the unified social credit code 913400001489746613 from the Anhui Provincial Administration for Market Regulation. The registered address is Huishang Bank Building, No. 1699 Yungu Road, Hefei City, Anhui Province, China. As of the end of 2024, the registered capital of the Bank was RMB 13,889,801,211.

The business scope of the Bank includes banking; custody of securities investment funds; sales of publicly offered securities investment funds; foreign exchange settlement and sales; and foreign exchange services. As of December 31, 2024, the Bank and its subsidiaries had 12,837 employees. Apart from its headquarters, the Bank has 21 branches, 464 front offices, and 503 self-service areas (points).

The Bank has four subsidiaries: Huishang Bank Financial Leasing Co., Ltd., Huishang Bank Wealth Management Co., Ltd., Wuwei Huiyin Rural Bank Co., Ltd., and Jinzhai Huiyin Rural Bank Co., Ltd. Additionally, the Bank holds shares in Chery Huiyin Motor Finance Service Co., Ltd. and Mengshang Bank Co., Ltd. Currently, the Bank has preliminarily established a business model that focuses on banking as its core and incorporates multiple business formats.

By upholding its market position as a bank dedicated to "serving the local economy, serving small and medium enterprises (SMEs), and serving the general public", the Bank has consistently experienced relatively rapid business growth. We have steadily improved our operational management standards, ensuring a coordinated development of scale, quality, and efficiency while continually strengthening our comprehensive strength. As a result, we have emerged as a leading mainstream bank that fully supports local economic and social development. In 2024, we moved up 11 places from the previous year to rank 112th in the "Top 1000 World Banks" by The Banker, a U.K. magazine.

As of the end of 2024



registered capital of the Bank was RMB

13,889,801,211

As of December 31, 2024



the Bank and its subsidiaries had

12,837

 employees


the Bank has

21

 branches


front offices

464



self-service areas (points)

503



Awards in 2024

Date	Award	Awarded by
January 2024	2023 China Tripod Award for Annual Excellent Technology Finance Case in the Financial Industry—"Huishang Bank's Strategy" for Finance Supporting Technological Innovation	Finance.china.com.cn
January 2024	2023 Outstanding Integrated Business Institution	Shanghai Commercial Paper Exchange Corporation Ltd.
January 2024	2023 Outstanding Trading Institution	Shanghai Commercial Paper Exchange Corporation Ltd.
January 2024	Most Influential Bank Product of the Year	Hefei Evening News of Hefei Newspaper Group
January 2024	2023 Interconnected Operations Award	China UnionPay Business Operation Center
January 2024	2023 Excellent Financial Bond Issuer	China Central Depository & Clearing Co., Ltd.
January 2024	Core Dealer	National Interbank Funding Center
January 2024	Currency Market Dealer	National Interbank Funding Center
January 2024	2023 Excellent Participating Institution of the Digital Supply Chain Financial Service Platform	China National Clearing Center of the People's Bank of China
February 2024	2023 United Front Work Practice Innovation Achievement Award of Anhui Province	United Front Work Department of the CPC Anhui Provincial Committee
February 2024	Enterprise with Outstanding Contribution to the 2023 Summer Internship Program for Hong Kong College Students in Anhui	Anhui Provincial Committee of the Communist Youth League of China
March 2024	2023 Excellent Organization in Anhui Province for Handling Letter-or-Visit Matters	General Office of the CPC Anhui Provincial Committee General Office of the People's Government of Anhui Province
March 2024	First Prize in the Labor Competition for Finance Supporting High-quality Development	Anhui Provincial Branch of the People's Bank of China Anhui Provincial Department of Science and Technology Anhui Provincial Department of Industry and Information Technology Anhui Provincial Department of Agriculture and Rural Affairs Anhui Provincial Local Financial Administration Anhui Federation of Trade Unions
March 2024	First Prize for Innovative Business in Technology Finance Reform	Anhui Provincial Branch of the People's Bank of China Anhui Provincial Department of Science and Technology Anhui Provincial Department of Industry and Information Technology Anhui Provincial Department of Agriculture and Rural Affairs Anhui Provincial Local Financial Administration Anhui Federation of Trade Unions
March 2024	Honorary Title of "Anhui Provincial Worker Pioneer" for the Corporate Banking Department of Huishang Bank	Anhui Provincial Branch of the People's Bank of China Anhui Provincial Department of Science and Technology Anhui Provincial Department of Industry and Information Technology Anhui Provincial Department of Agriculture and Rural Affairs Anhui Provincial Local Financial Administration Anhui Federation of Trade Unions

Date	Award	Awarded by	
March 2024	2023 Outstanding Organizational Unit for Financial Consumer Education and Financial Knowledge Popularization	The Anhui Regulatory Bureau of National Financial Regulatory Administration	
March 2024	2023 Excellent Case of Protecting Financial Consumers' Rights and Interests	China Banking and Insurance News	
March 2024	2023 Excellent Case of Innovative Practices in Outlet Services	China Banking and Insurance News	
March 2024	First Prize for Provincial Agent Bank in Non-tax Revenue Collection in 2023	Anhui Provincial Department of Finance Anhui Provincial Branch of the People's Bank of China	
March 2024	Ranked No. 146 among the World's Top 500 Banking Brands by Value	The Banker (a U.K. magazine), Brand Finance	
March 2024	Outstanding Organization for Provincial Confidentiality Work in 2023	Administration of State Secrets Protection of Anhui Province	
April 2024	"Literary Enterprise" for the First Session	Party Committee of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government	
May 2024	Ranked 183 rd among the Top 500 Most Valuable Chinese Brands in 2024	Brand Finance	
May 2024	Class A Taxpayer for Tax Credit Rating in 2023 by Anhui Provincial Tax Service, State Taxation Administration	Anhui Provincial Tax Service, State Taxation Administration	
May 2024	Huishang Bank's "Party Building + Credit" Business Innovation Team selected for the Team Project under the 2023 Jianghuai Talent Training Program	Organization Department of the CPC Anhui Provincial Committee	
May 2024	Evaluation of the Effectiveness of Credit Policy for Technology Enterprises in Anhui Province in Q1 2024—First Place with Excellent Performance	Anhui Provincial Branch of the People's Bank of China	
June 2024	Huishang Bank's Products and Services for Small Businesses selected as "Typical Case of Finance Boosting the High-quality Development of the Private Economy for 2024"	China Association of Small and Medium Enterprises	
June 2024	"Excellent Organization Award" in the Reading and Recitation Event themed "Building Dreams Together to Celebrate the Birthday of Our Motherland, Forging Ahead on a New Journey"	Party Committee of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government	
July 2024	The Fifth Selection of Excellent Cases in the Digital and Intelligent Transformation of Financial Institutions in 2024—Outstanding Case Award for Scenario-based Finance Innovation	Organizing Committee for the Selection of Excellent Cases in the Digital and Intelligent Transformation of Financial Institutions	
July 2024	The Best Cooperative Bank in 2023	Anhui Equity Exchange	
July 2024	Ranked 112 th among "the World's Top 1000 Banks in 2024"	The Banker, a U.K. magazine	
July 2024	"Top Ten Excellent Cases" in Technology Finance in Anhui Province	Anhui Society for Finance & Banking, Xinhua Finance	
August 2024	2024 Golden-shell Evaluation on Competitiveness of Asset Management—2024 Outstanding Wealth Management Bank	21 st Century Business Herald 21 SFC App	
August 2024	2024 Golden-shell Evaluation on Competitiveness of Asset Management—2024 Outstanding Digital Bank	21 st Century Business Herald 21 SFC App	
August 2024	Best Financial Service Institution for Huishang Bank's Efforts in Science and Technology Innovation	Huishang Media of Anhui Daily Newspaper Group	
August 2024	Tsinghua Financial Review's Bauhinia Award for "Banks Contributing to Regional Development in 2024"	Editorial Office of <i>Tsinghua Financial Review</i> , Tsinghua University PBC School of Finance	



Date	Award	Awarded by
August 2024	Outstanding Cooperative Organization Award	Ping An Wealth Management
August 2024	Wealth Management Star	Ping An Wealth Management
August 2024	50 ESG Pioneers Among Listed Chinese Companies in the Yangtze River Delta (2024)	Financial Program Center of China Media Group
August 2024	Ranked 24 th among the Top 100 Chinese Banks in 2024	China Banking Association
September 2024	Rated as "Excellent" in the 2023 Provincial Evaluation of Financial Institutions Supporting the Development of the Local Real Economy	Office of the Financial Committee of the CPC Anhui Provincial Committee
September 2024	Outstanding Financial Sales Bank in the 6th Selection of Yinghua Demonstration Institutions for Wealth Management in China's Banking Industry	ChinaFund
September 2024	Huishang Bank's Trader App Won the "Digital Intelligence Platform Innovation Case" Award at the 7 th (2024) Digital Finance Innovation Case Collection Activity	www.cebnet.com.cn
September 2024	The Project titled "Technological Innovation Capability Evaluation System Empowering the Financial Services of Technology-based Enterprises" Won the Excellence Award at the Anhui • Financial Service Competition during the "Data Element X" Competition in 2024	Anhui Provincial Data Resources Management Bureau
September 2024	The Project titled "Development of a Digital Risk Control Management System for Inclusive Finance" Won the Excellence Award at the Anhui • Financial Service Competition during the "Data Element X" Competition in 2024	Anhui Provincial Data Resources Management Bureau
September 2024	The Project titled "Exploring a New Path in Technology Finance to Facilitate a Virtuous Cycle of 'Technology + Industry + Finance'" Selected as an Excellent Case of Innovation-driven Development in China's Banking Industry for 2024	Editorial Office of <i>Tsinghua Financial Review</i> , Tsinghua University PBC School of Finance
September 2024	Huishang Bank's "'Party Building + Credit' Empowering Rural Revitalization" Case Selected as an Excellent Case of Innovation-driven Development in China's Banking Industry for 2024 by <i>Tsinghua Financial Review</i>	Editorial Office of <i>Tsinghua Financial Review</i> , Tsinghua University PBC School of Finance
September 2024	The Case titled "Facilitating Mobile Payments for Foreigners" Selected as an "Excellent Case in Convenient Anhui Payment Services"	Payment & Clearing Association of China
September 2024	"Golden Hazelnut Award" for Outstanding Bank Financing Institution at the 2024 Shanghai Global Asset Management Annual Conference	CLS.CN
October 2024	Jinyu Award for Outstanding Private Bank in Regional Services	PYSTANDARD
October 2024	Jinyu Award for Outstanding City Commercial Bank in Wealth Management	PYSTANDARD
October 2024	The "Data Quality Management Capacity Building Project" Won the "2024 DAMA China Award for Best Practices in Data Management"	DAMA China
October 2024	30 ESG Pioneers Among Listed Chinese Companies in the Financial Industry (2024)	Financial Program Center of China Media Group
October 2024	USD Payments Straight Through Processing Excellence Award in 2023 issued by Citibank	Citibank
November 2024	Rated as "Excellent" (Grade A) in the 2023 Performance Evaluation by the Anhui Provincial Department of Finance	Anhui Provincial Department of Finance



Date	Award	Awarded by
November 2024	Huishang Bank's Mobile Banking Service Won the "Best Digital Bank Innovation Award" at the Smart 2024 Special Event of the 20 th Digital Finance Joint Promotion Year	China Financial Certification Authority (CFCA) Digital Finance Joint Publicity Year www.cebnet.com.cn
November 2024	Huishang Bank's Trader Platform Won the 2024 Gold Award for Digital Finance—the "Best User Experience Award for Corporate Online Banking" at the Smart 2024 Special Event of the 20 th Digital Finance Joint Promotion Year	China Financial Certification Authority (CFCA) Digital Finance Joint Publicity Year www.cebnet.com.cn
November 2024	The "Innovation Case in the Construction of a Characteristic Institutional System for Technology Finance" won the "2024 Annual Excellent Case in Technology Finance Innovation" issued by the Banker	The Banker
November 2024	"Xingniu Loan" won the "2024 Annual Excellent Case in Financial Innovation for Rural Revitalization" issued by the Banker	The Banker
November 2024	2024 Annual Outstanding Institution in Financial Innovation issued by the Banker	The Banker
November 2024	The "Scenario-driven Digital and Intelligent Financial Cloud Platform Innovation Case" won the "2024 Annual Excellent Case in Fintech Product Innovation" issued by the Banker	The Banker
November 2024	The Best Credit Card Brand Influence Award of the Year	Financial Digital Development Alliance
November 2024	The "Three-dimensional Telecommunication Fraud Risk Defense Mechanism" Selected as one of the "Top Ten Outstanding Cases in Urban Financial Service" during the 2024 Selection Activity of Excellent Cases in Urban Financial Services	City Commercial Banks Clearing Co., Ltd.
November 2024	The Project titled "Building a Digital RMB Payment Platform to Achieve New Breakthroughs in Bank-Government Cooperation" Selected as an "Excellent Case in Digital RMB Innovation" during the 2024 Selection Activity of Excellent Cases in Urban Financial Services	City Commercial Banks Clearing Co., Ltd.
November 2024	The Project titled "Enhancing Service Quality through Technology Empowerment—Exploring New Fields in Commemorative Coin Reservation and Exchange Business" Selected as an "Excellent Case in Operation and Management Innovation" during the 2024 Selection Activity of Excellent Cases in Urban Financial Services	City Commercial Banks Clearing Co., Ltd.
November 2024	The Service Project titled "Sustainability-linked Loan Promoting Green Transformation in the Steel Industry" Selected as an "Excellence Case in the Five Major Areas of Finance" during the 2024 Collection Activity of Excellent Cases in Financial Services	City Commercial Banks Clearing Co., Ltd.
November 2024	2024 China Golden Tripod Award—2024 Annual Award for Supporting Local Economic Development	National Business Daily Organizing Committee of 2024 Golden Tripod Award
November 2024	The Best Brand Image Bank	Anhui Business Daily
November 2024	The Most Socially Responsible Bank	Anhui Business Daily
November 2024	Tianji Award for Technology Finance Service Bank in 2024	Securities Times
November 2024	Tianji Award for Inclusive Financial Service Bank in 2024	Securities Times



Date	Award	Awarded by
November 2024	The Project titled "City Commercial Banks' Practice in Building Data Security Systems based on Classification and Grading" won the Third Prize of the 2023 Fintech Development Award	The People's Bank of China
December 2024	Honorary Title of "2024 'Galaxy' Cases—Potential Cases in Data Assets" for the Project titled "Huishang Bank's Data Management Capability Building"	Big Data Technology and Standard Committee
December 2024	Honorary Title of "2024 Typical Case in AI Cloud" for the Project titled "Application Solution of Financial Risk Control Model in Bank Retail Credit Scenarios"	Cloud Computing and Big Data Research Institute, China Academy of Information and Communications Technology
December 2024	The Project titled "Innovative 'Party Building + Credit' Model Empowering Rural Revitalization" selected as a Typical Case of China's Inclusive Finance Supporting Rural Revitalization (2024)	21 st Century Business Herald 21 st Century Institute of Finance
December 2024	The Project titled "Financing the Real Economy and Boosting New Quality Productive Forces" selected as a Typical Case of China's Inclusive Finance in the Innovation of Inclusive Financial Products and Services (2024)	21 st Century Business Herald 21 st Century Institute of Finance
December 2024	2024 Outstanding Institution Award for the Digital Supply Chain Financial Service Platform	China National Clearing Center of the People's Bank of China
December 2024	2024 Excellent Underwriter of China Development Bank	China Development Bank
December 2024	2024 Special Contribution Award of China Development Bank	China Development Bank
December 2024	2024 Annual Best Innovation Award for Fintech • Financial Institutions	Organizing Committee of the Yangtze River Delta Fintech Innovation & Application Competition
December 2024	2024 Top List of Financial Institutions—Annual Quality Bank in Technology Finance	The Paper
December 2024	Fintech Innovation Award for the e-loan Program for Specialized and Sophisticated Enterprises	Financial Computerizing Magazine Co., Ltd.
December 2024	Fintech Application Innovation Award for the Customer & User Experience Enhancement Platform Project at the 15th Fintech Innovation Award Ceremony	Financial Computerizing Magazine Co., Ltd.
December 2024	Rated as a Class A Bank in the 2024 Evaluation for Banks' Compliance and Prudent Operation in Foreign Exchange Business	Anhui Branch of State Administration of Foreign Exchange
December 2024	Bank with Outstanding Competitiveness in Value Growth	China Business Journal
December 2024	2024 Top List of Financial Institutions—Annual Quality Bank in Technology Finance	The Paper Organizing Committee of the Top List of Financial Institutions
December 2024	2024 Annual Bank with Regional Brand Influence in Anhui Province	Xin'an Evening News
December 2024	2024 China Tripod Award for Annual Excellent Brand Building Case in the Financial Industry—"Strengthening Efforts to Foster High-Quality Development and Establishing an Outstanding Local Mainstream Bank"	Finance.china.com.cn
December 2024	Annual Leading Bank in Social Responsibility Performance	The Economic Observer

Responsibility Management

Huishang Bank has earnestly fulfilled its main responsibilities as a financial institution by enhancing the ability to manage and practice social responsibilities. We have proactively responded to the expectations of our shareholders, customers, employees, and other stakeholders, effectively promoting a win-win result in economic, environmental, and social values.

Social Responsibility

Huishang Bank adheres to the values of "treating people with sincerity, upholding justice while pursuing interests". Our mission is to "achieve customers' dreams, create values for shareholders, promote staff development, and assume civic responsibilities". We integrate social responsibility into our strategic decision-making process and value chain management system:



Take into account shareholders, customers, employees, and other stakeholders to comprehensively improve economic, environmental, and social benefits;



Strengthen the main responsibility of financial institutions, coordinate the allocation of professional resources, promote inclusive financial service practices, and empower rural revitalization in a targeted manner;



Establish a full-chain standardized management system covering green office practices, energy conservation, and environmental protection to minimize the environmental impact of daily operations;



Actively promote the essence of public welfare by focusing on people's livelihood, environmental protection, and public charity. Encourage employees to participate in volunteer activities, and establish branded public welfare projects in areas such as elderly care, support for vulnerable populations and individuals with disabilities, and poverty alleviation, to shape the image of a modern financial corporate citizen in a comprehensive manner.

ESG and Social Responsibility Governance

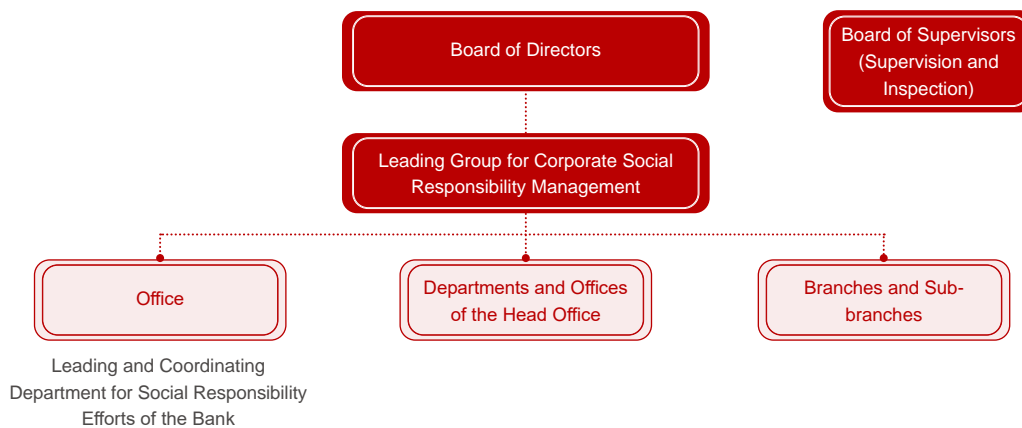
Huishang Bank consistently adheres to the relevant requirements outlined in the *Interim Measures for the Administration of Corporate Social Responsibility of Huishang Bank*. We have established and refined our social responsibility management system, integrating social responsibility into our strategic decision-making, governance framework, corporate culture, and business processes. Additionally, we have established a long-term mechanism for social responsibility.

The Board of Directors of the Bank, as the highest governing body responsible for ESG management, oversees all ESG matters. The Board thoroughly implements ESG governance in accordance with the *Environmental, Social and Governance Reporting Code*, regularly reviews the establishment and implementation of ESG goals, and ensures the effectiveness of ESG risk management and internal control systems. Additionally, the Board is actively involved in identifying and analyzing material ESG issues. For details, please refer to the "Stakeholder Engagement" and "Materiality Assessment Analysis" sections of this ESG report.



An office dedicated to the leading group for corporate social responsibility management has been established at the Head Office. This office is responsible for overseeing daily operations. The office director, who is the primary person in charge at the Head Office, is tasked with managing and coordinating the Bank's social responsibility initiatives on a daily basis.

Huishang Bank's Social Responsibility Governance Framework



Huishang Bank is committed to enhancing its social responsibility capabilities. We have consistently deepened our understanding and implementation of sustainable development, and continually improved our social responsibility management system. By establishing a process management mechanism for crucial elements such as organization and implementation, supervision and inspection, end-of-term evaluation, and report release, we have achieved refined control over our social responsibility efforts. This approach has contributed to our scientific and efficient decision-making regarding social responsibility, and has effectively promoted the continuous improvement of our ability to fulfill these responsibilities. To further improve the Bank's social responsibility management, we have integrated social responsibility indicators into the personal performance assessment system for senior management in the *2024 Performance Assessment Plan for Senior Management of Huishang Bank*. Taking performance assessment as a starting point, we have reinforced the management's focus on social responsibility and incentivized them to actively engage in its implementation.

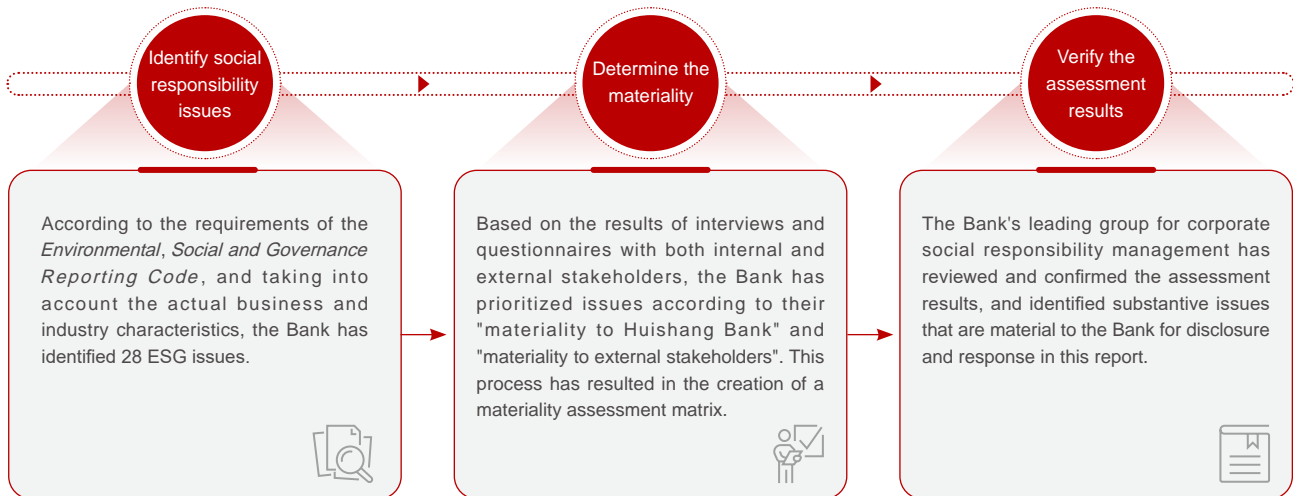
Stakeholder Engagement

Huishang Bank attaches great importance to communication with stakeholders and utilizes a variety of effective channels to understand their expectations and demands regarding social responsibility. This feedback serves as a crucial reference for developing and implementing the Bank's social responsibility strategies and management practices.

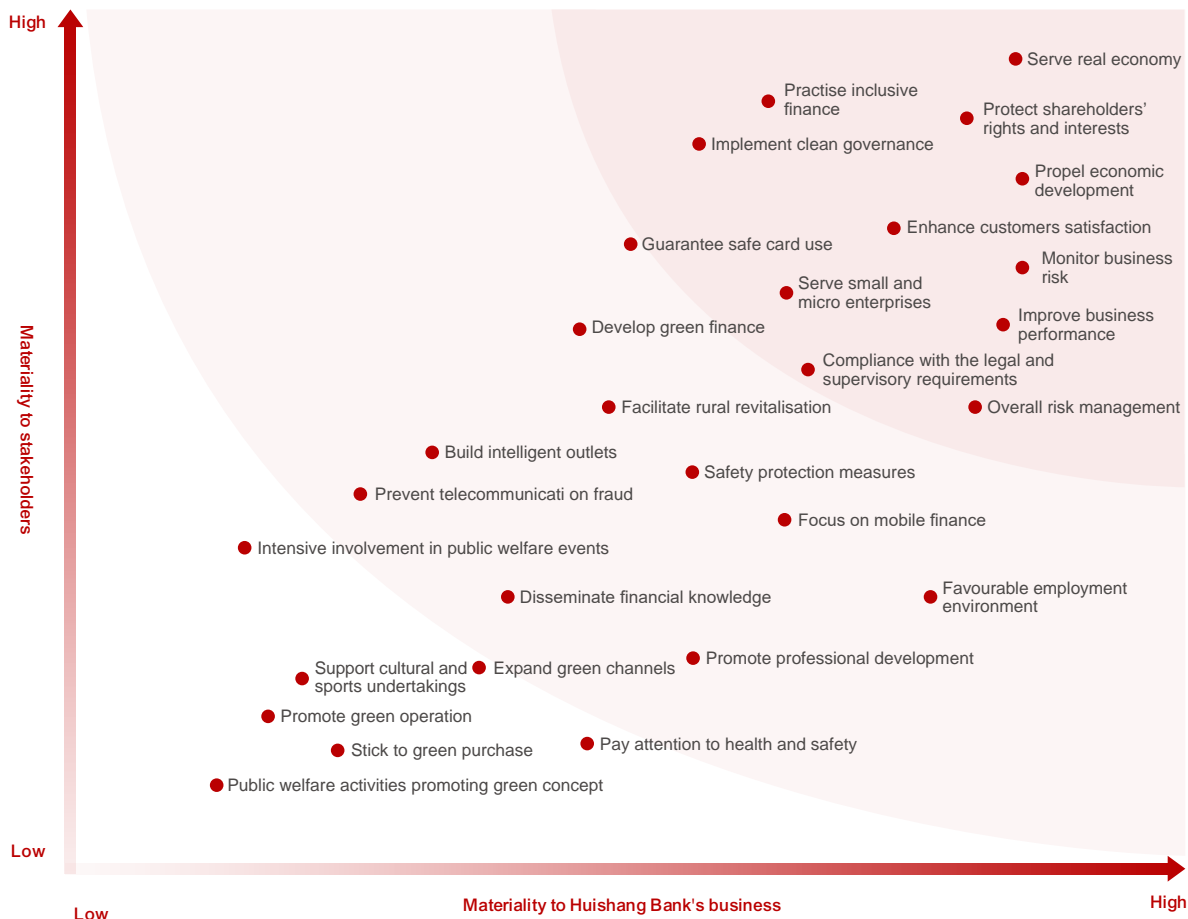
Stakeholders	Communication Mechanism	Stakeholders' Expectations	The Bank's Response
 Government	<ul style="list-style-type: none"> Regulatory documents Work reports On-site inspection Off-site supervision 	<ul style="list-style-type: none"> Implement national economic policies Support real economy Serve small and micro enterprises Increase job opportunities Stable tax revenue increase 	<ul style="list-style-type: none"> Implement national and regional economic policies to propel economic transition Step up efforts in leveraging finance to serve real economy Achieve "two increases and two controls" in loans for small and micro enterprises Create job opportunities Ensure stable operations, achieve strong business performance, and pay taxes according to law Strengthen government-enterprise cooperation
 Regulators	<ul style="list-style-type: none"> Regulatory documents Work reports On-site inspection Off-site supervision 	<ul style="list-style-type: none"> Prudent and compliant daily operations Comprehensive, timely and accurate information disclosure Effective risk prevention Stable and orderly financial system Accelerate digital transformation 	<ul style="list-style-type: none"> Compliance with laws and regulations, and integrity management Comply with information disclosure requirements Strengthen risk management Maintain financial order and reinforce compliance and disciplines Strive to establish a digital bank
 Shareholders	<ul style="list-style-type: none"> General meeting of shareholders Board of Directors Results announcement conferences Daily communication 	<ul style="list-style-type: none"> Continuous and reasonable return on investment Comprehensive, timely and accurate information disclosure Good corporate governance 	<ul style="list-style-type: none"> Achieve strong business performance Disclose information comprehensively, promptly, and accurately Effectively communicate with investors Improve corporate governance
 Customers	<ul style="list-style-type: none"> Product promotion and introduction Customer service hotline 40088-96588 Customer service center Regular customer visits 	<ul style="list-style-type: none"> Diversified products Diverse service channels Continuously improved service quality Effective protection of consumers' rights and interests 	<ul style="list-style-type: none"> Create diverse innovative financial products Promote the development of service channels Improve civilized and standardized services Protect financial consumers' rights and interests Guarantee the health and safety of financial consumers Conduct customer satisfaction surveys
 Employees	<ul style="list-style-type: none"> Staff communication Trade union Workers' congress Bank affairs disclosure Corporate cultural activities 	<ul style="list-style-type: none"> Reasonable compensation and benefits Satisfactory work environment Good career development Health and labor protection 	<ul style="list-style-type: none"> Protect the legitimate rights and interests of employees Enrich corporate culture Expand career development channels Protect safety and health
 Suppliers and partners	<ul style="list-style-type: none"> Centralized procurement Bidding center Business communication and cooperation 	<ul style="list-style-type: none"> Fair opportunities for cooperation Contract fulfillment based on integrity Stable win-win relationship 	<ul style="list-style-type: none"> Adhere to responsible procurement Strengthen strategic cooperation
 Public and communities	<ul style="list-style-type: none"> Financial community services Financial knowledge dissemination Community public welfare activities 	<ul style="list-style-type: none"> Harmonious social relations Comprehensive and effective fulfillment of responsibilities as a corporate citizen 	<ul style="list-style-type: none"> Create diverse innovative financial products Disseminate financial knowledge Build a harmonious community environment Conduct charity and public welfare activities
 Media	<ul style="list-style-type: none"> Media information disclosure 	<ul style="list-style-type: none"> Open and transparent information disclosure 	<ul style="list-style-type: none"> Enhance media communication Disclose information comprehensively, promptly, and accurately
 Environment	<ul style="list-style-type: none"> Business activities Environmental protection activities Policy information disclosure 	<ul style="list-style-type: none"> Green financial services Continuous reduction of energy consumption and carbon emissions Active environmental protection 	<ul style="list-style-type: none"> Develop green finance Improve green services Promote green operations Involve in green public welfare undertakings

Materiality Assessment Analysis

The Bank conducts a materiality assessment in accordance with the requirements of the *Environmental, Social and Governance Reporting Code*, taking into account the Bank's actual operations and management. By assessing the materiality of issues to both stakeholders and the Bank, we have identified our ESG management and information disclosure priorities, and developed a materiality matrix. The results of this assessment serve as an important reference for the Bank in developing social responsibility management strategies and preparing social responsibility reports.



Materiality Matrix



Response to the UN SDGs

By aligning the identified ESG issues with the UN Sustainable Development Goals (SDGs), Huishang Bank has developed and implemented corresponding measures to actively respond to stakeholder expectations and major national strategic needs.

SDG	Specific Measures	Social Responsibility Issues	Section(s)
	<ul style="list-style-type: none"> Conduct rural revitalization in an efficient and orderly way Boost infrastructure construction 	<ul style="list-style-type: none"> Contribute to rural revitalization Engage in inclusive finance practices 	<ul style="list-style-type: none"> Empowering Rural Revitalization Benefiting People's Well-being
	<ul style="list-style-type: none"> Create a safe working environment Care about employees' physical and mental health 	<ul style="list-style-type: none"> Safety protection measures Focus on health and safety 	<ul style="list-style-type: none"> Protecting Information Security Promoting Employee Development
	<ul style="list-style-type: none"> Actively support social cultural activities Carry out financial knowledge publicity activities in communities Provide vocational training and relevant skills training for employees 	<ul style="list-style-type: none"> Support cultural and sports undertakings Disseminate financial knowledge Actively engage in public welfare activities Promote career development 	<ul style="list-style-type: none"> Protecting Customers' Rights and Interests Promoting Employee Development Engaging in Social Welfare
	<ul style="list-style-type: none"> Improve the governance system Ensure equal employment, and protect of employees' rights and interests Provide reasonable career development channels Vigorously support real economy Support small and micro enterprises 	<ul style="list-style-type: none"> Serve small and micro enterprises Create a favorable employment environment Promote career development Improve business performance Comprehensive risk management 	<ul style="list-style-type: none"> Improving Corporate Governance Supporting Regional Economy Empowering Rural Revitalization Promoting Transformation and Development Empowering Emerging Industries Promoting Employee Development
	<ul style="list-style-type: none"> Digital transformation Support economic transformation Serve agriculture, rural areas, and farmers Rural revitalization Boost infrastructure construction 	<ul style="list-style-type: none"> Promote economic development Improve real economy Build intelligent outlets Inclusive finance in rural areas 	<ul style="list-style-type: none"> Empowering Rural Revitalization Promoting Transformation and Development Empowering Emerging Industries Benefiting People's Well-being
	<ul style="list-style-type: none"> Share information with regulators Maintain social stability Vigorously support real economy 	<ul style="list-style-type: none"> Prevent telecommunication fraud Actively engage in public welfare activities Disseminate financial knowledge Promote economic development Improve real economy 	<ul style="list-style-type: none"> Protecting Customers' Rights and Interests Engaging in Social Welfare Supporting Regional Economy Empowering Rural Revitalization Benefiting People's Well-being
	<ul style="list-style-type: none"> Provide green credit Support the development of clean technologies Advocate for a green office Carry out public welfare and environmental protection activities 	<ul style="list-style-type: none"> Develop green finance Promote green operations Expand green channels Adhere to green procurement Participate in green public welfare undertakings 	<ul style="list-style-type: none"> Green Finance Promoting Transformation and Development Practicing Green Operations

Responsibility Performance



Economic performance

Specific Indicator	Unit	2024	2023	2022
Total assets	In RMB 100 million	20,137.53	18,061.44	15,802.36
Operating revenue	In RMB 100 million	371.28	363.65	362.30
Net profit	In RMB 100 million	159.17	149.91	136.83
Non-performing loan ratio	%	0.99	1.26	1.49
Capital adequacy ratio	%	13.72	13.21	12.02
Balance of loans for small and micro enterprises	In RMB 100 million	4,241.74	3,772.32	3,146.19
Balance of agriculture-related loans	In RMB 100 million	1,782.10	2,284.65	1,819.98
Green credit balance	In RMB 100 million	1,158.80	824.04	545.76



Social performance

Specific Indicator	Unit	2024	2023	2022
Satisfaction with complaint handling	%	96.5	92.12	98.15
Total number of employees	Person	12,837	11,619	11,190
Proportion of female employees	%	51.13	50.45	50.80
Training cost per employee	RMB	3,360.66	3,437.76	2,021.27
Total number of outlets	Nr.	464	465	466
Number of corporate online banking customers	In 10,000	41.77	38.41	34.58
Number of telephone banking customers	In 10,000	448.86	424.31	401.35
Number of mobile banking customers	In 10,000	1,092.48	970.35	848.27
Number of personal online banking customers	In 10,000	835.09	809.82	753.94



Environmental performance

Specific Indicator	Unit	2024	2023	2022
Water consumption at the Headquarters	In 10,000 tons	6.77	11.98	9.19
Electricity consumption at the Headquarters	In 10,000 kWh	2,238.24	2,007.85	1,828.82
Natural gas consumption at the Headquarters	In 10,000 m ³	63.06	70.83	73.76
Gasoline consumption at the Headquarters	In 10,000 L	2.45	3.32	3.37
Number of bank-wide video conferences	Nr.	250	296	219

Responsibility Topic 1

Embracing a Financial Culture with Chinese Characteristics and Excel in the Five Major Areas of Finance

Culture is the soul of a nation. Empowering the financial industry with culture and values with Chinese characteristics and enhancing the soft power of financial culture are essential steps in promoting the high-quality development of finance and building a financial powerhouse. In 2024, Huishang Bank implemented the guiding principles from the important instructions of General Secretary Xi Jinping on fostering a financial culture with Chinese characteristics. We conscientiously implemented relevant regulatory requirements, and thoroughly studied and understood the "Five Dos and Five Don'ts" principles: "being honest and trustworthy; seeking gains through righteous approaches and avoiding a single-minded focus on profit; maintaining prudence and caution in work without succumbing to the lure of quick success; preventing funds from being diverted out of the real economy; ensuring compliance with laws and regulations, and refraining from reckless actions". We undertook initiatives throughout the Bank to cultivate and promote a financial culture with Chinese characteristics, deeply integrating the "Five Dos and Five Don'ts" principles into our work for the year. We emphasized the synergy of action and knowledge, practiced what we learned, and comprehensively advanced the development of technological finance, green finance, inclusive finance, pension finance, and digital finance.

Full Deployment, Efficient Action

In 2024, Huishang Bank conscientiously implemented higher-level policy directives, including the *Implementation Plan for Cultivating and Promoting Financial Culture with Chinese Characteristics in Anhui's Financial Industry* and the *Implementation Plan on Cultivating and Promoting Financial Culture with Chinese Characteristics*. We introduced the *Action Plan of Huishang Bank for Cultivating and Promoting Financial Culture with Chinese Characteristics*, adhering strictly to the "Five Dos and Five Don'ts" principle. This initiative resulted in a comprehensive update of policies and systems and a swift commencement of related activities.

Organizational Structure

Huishang Bank established a leadership mechanism and strengthened supervision to drive and ensure the implementation of the "Five Do's and Five Don'ts" principles of a financial culture with Chinese characteristics. A leading group for cultivating and promoting a financial culture with Chinese characteristics was established. The group is led by Yan Chen, Secretary of the Party Committee and Chairman of the Bank, and Kong Qinglong, Deputy Secretary of the Party Committee and President of the Bank. He Jiehua, Deputy Secretary of the Party Committee and Chief Supervisor of the Bank, serves as the deputy leader. Other members of the Party Committee of the Bank, along with the Bank's internal senior management, also participate as members. The leading group is responsible for the overall deployment, progress supervision, and effectiveness evaluation of the Bank's efforts to cultivate and promote a financial culture with Chinese characteristics, striving to institutionalize, normalize, and sustain these efforts over the long term.

Systems and Standards

In accordance with the "Five Dos and Five Don'ts" principles, Huishang Bank timely revised and improved its business management systems and regulations, such as the negative lists for business management and the list of prohibited employee behaviors, resulting in institutionalized outcomes.

In 2024, Huishang Bank issued a total of 75 rules and regulations covering a wide range of areas, including operation management, management of abnormal employee abnormal behaviors, due diligence exemption negative lists, protection of consumers' interests and rights, risk management, discipline inspection and supervision, and audit monitoring. These efforts further strengthened our internal control management system and optimized our corporate governance structure, providing essential guidelines for business development.

In terms of system review

In 2024, Huishang Bank compiled a catalog of active systems (totaling 1,906 items) as of the end of 2023, a catalog of systems (totaling 210 items) that were abolished in 2023, and a detailed framework of rules and regulations. We improved the hierarchical structure of our internal rules and regulations, aligned cross-references with existing regulatory guidelines and supplementary notices, and continually refined the overall regulatory framework.

>>> In terms of organizational system evaluation

we aligned with the release and interpretation of the "Three Measures", organized relevant departments to conduct real-time evaluations of existing credit business systems, and initiated the process of abolishing, reforming, and creating relevant systems.

>>> In terms of strict system compliance reviews

we emphasized summarizing and refining the insights gained from daily reviews of rules and regulations, concentrated on key and critical review points, and thoroughly examined the entire business process to enhance the professional quality of system compliance reviews (demonstration).

Thorough Learning and Internalization

To thoroughly understand and accurately capture the connotation and essence of the "Five Dos and Five Don'ts" principles of a financial culture with Chinese characteristics, Huishang Bank endeavored to cultivate a high-quality corporate culture that aligns with its development strategy, embodies contemporary values, and retains its unique traits. We developed a learning plan for the "Five Dos and Five Don'ts" principles of a financial culture with Chinese characteristics tailored to the entire organization. Through dedicated training sessions, specialized study and discussion sessions, and themed promotional activities, we integrated the concept of a financial culture with Chinese characteristics into the ongoing education and learning of our employees, aiming to deepen their understanding and enable them to fully internalize these principles.

Special Learning

Huishang Bank launched a special online training session on financial culture with Chinese characteristics for all its employees, and developed "list-style" learning materials covering 6 key topics: adhering to the path of financial development with Chinese characteristics, the guiding principles of the Central Economic Work Conference, the guiding principles of the Central Financial Work Conference, examples of positive case studies, negative lists for business management, and notable cases of disciplinary and legal violations. A total of 15 courses were available on the "Zhiniao" online learning platform, with a cumulative duration of 210 minutes and corresponding assessment tests. Leveraging the Anhui Cadre Education Online Platform, we organized the Bank's relevant leaders and cadres to participate in a special online training session titled "Interpretation of the Regulation of the Communist Party of China on Disciplinary Actions". This initiative ensures they learn about, understand, and adhere to disciplinary guidelines.



learning materials covering

6 key topics



courses were available learning platform

15



cumulative duration of

210 minutes



Online Learning Programs of Huishang Bank for Financial Culture with Chinese Characteristics

Exchange and Discussion

In 2024, Huishang Bank centered its efforts on the core essence of the "Five Dos and Five Don'ts" principles of a financial culture with Chinese characteristics. We organized various activities to learn, promote, and implement these principles through study sessions held by the Bank's Party Committee Theoretical Study Center Group, theoretical publicity efforts, and special reading classes. These endeavors aimed to deepen our employees' understanding of the nature of socialist finance with Chinese characteristics, ensuring that the financial culture with Chinese characteristics takes root and flourishes within Huishang Bank. During the reporting period, the Party Committees at all levels of Huishang Bank conducted 54 study and discussion sessions, as well as 164 exchanges and discussions. Additionally, the Bank's Party branches held 451 focused study and discussion sessions.



On July 29, the Anhui Regulatory Bureau of National Financial Regulatory Administration, in collaboration with the Anhui Banking Association, conducted a seminar on cultivating a financial culture with Chinese characteristics within Anhui's banking industry at Huishang Bank.



On June 11, the Suzhou Branch of Huishang Bank hosted a lecture on publicizing a financial culture with Chinese characteristics within Suzhou's financial industry.



On July 1, the Xuancheng Branch of Huishang Bank invited an expert to conduct a training session on financial culture with Chinese characteristics.



On September 25, the Anhui Regulatory Bureau of National Financial Regulatory Administration, in collaboration with the Anhui Banking Association, convened a meeting at Huishang Bank. The meeting aimed to advance the development and promotion of a financial culture with Chinese characteristics within Anhui's banking industry. Huishang Bank served as a co-organizer of these events.



On October 11, the Ma'anshan Branch hosted a meeting focused on advancing the cultivation and promotion of a financial culture with Chinese characteristics within the financial industry of Ma'anshan.



On October 18, a representative from the Xuancheng Branch delivered a speech as a role model at the meeting focused on advancing the cultivation and promotion of a financial culture with Chinese characteristics within the banking industry of Xuancheng.

Publicity and Education

Huishang Bank has innovatively established a financial culture corridor with Chinese characteristics. This initiative aims to promote the financial culture with Chinese characteristics and the guiding principles of relevant Central Work Conferences through various forms of communication, such as posters, exhibition boards, and themed computer screen savers, thereby cultivating a cultural atmosphere aligned with the "Five Do's and Five Don'ts" principles. Additionally, we have produced an internal publication, *Hui Xing Tian Xia*, featuring a special article titled "Huishang Bank's Actions to Cultivate and Promote a Financial Culture with Chinese Characteristics", to further enhance awareness and education. Externally, we've engaged with mainstream media to advance the promotion of financial culture with Chinese characteristics. Chairman Yan Chen and President Kong Qinglong contributed signed articles, "Return to the Origin, Uphold Fundamental Principles and Break New Ground, Striving to Build an Excellent Local Mainstream Bank" and "Adhere to a Prudent Approach and Correct 'Three Views' to Promote the Steady and Long-term Development of an Excellent Local Mainstream Bank", respectively, published in the *Executive Information • Anhui*. During the reporting period, we participated in and organized 192 social publicity activities centered around the theme of financial culture with Chinese characteristics, and produced 609 publicity reports (totaling 436 articles) through internal and external channels.

participated in and organized

192 social publicity

produced

609 publicity reports (totaling **436** articles) through internal and external channels



Corridor of Financial Culture with Chinese Characteristics at Huishang Bank



Wall of Financial Culture with Chinese Characteristics at Huishang Bank



Signed Articles by Chairman Yan Chen and President Kong Qinglong on the Topic of Financial Culture with Chinese Characteristics, Published in the *Executive Information • Anhui*

To fully engage employees and inspire their participation in learning and outreach, Huishang Bank has continuously introduced innovative platforms and activity formats. Notably, we encouraged all employees to participate in the micro-promotion competition organized by the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government. We also organized events such as the essay contest themed around the "Five Do's and Five Don'ts" principles and the selection of "Top Ten Outstanding Youth". Our branches tailored specific activities to address their unique circumstances, including the keynote speech competition themed "Compliance Escorts the Year", the sharing session titled "Youth Speak Integrity", and exhibitions of photography, calligraphy, and painting. Additionally, we collaborated with external media to launch the "Huishang Bank • Business Daily Community Tour", aiming to promote financial culture within communities, meet the financial needs of the public, and enhance financial literacy.



Huishang Bank and Anhui Business Daily are organizing the "Huishang Bank • Business Daily Community Tour" activity.



Integrity-themed Exhibition of Calligraphy, Painting, and Photography organized by Huishang Bank



On August 31, Huishang Bank organized employees to visit the Ningbo Financial Culture Exhibition, themed "The Road to Ningbo's Prosperity".



On September 26, Huishang Bank organized a county-level event focused on consumer protection, titled "Finance Writes a New Chapter for the People, Protecting Rights and Preventing Risks". During the event, branch staff members presented an allegro performance on the theme of "Consumer Protection".

Implementation and Remarkable Results

Huishang Bank adheres to the "Five Dos and Five Don'ts" principles as guiding principles and standards of conduct. Through specific action plans, we actively strive to build an honest, responsible, sound, innovative, and transparent bank that aligns with the concept of financial culture with Chinese characteristics.

Practicing the Ethics of Honesty and Trustworthiness, Building an Honest Bank

Huishang Bank is committed to honesty and integrity, never compromising its principles. In our daily operations, we prioritize honesty and foster a spirit of contractual integrity. In financial activities, we abide by market regulations and professional ethics, considering honesty and trustworthiness as the cornerstone of our business development. We maintain the tradition of "precise calculations, meticulous record-keeping, and strict compliance", taking responsibility for the industry market and financial consumers.

Seeking Gains through Righteous Approaches, Building a Responsible Bank

Huishang Bank adheres to the principle of seeking gains through righteous approaches and avoiding a single-minded focus on profit. In our daily operations, we uphold a sound performance concept by prioritizing the interests of the people and ensuring that profitability serves functionality. By doing so, we have reinforced the mission and responsibility of a provincial financial institution, creating value and profits while contributing to economic and social development. In 2024, Huishang Bank organized a symposium for private entrepreneurs to refine the long-term mechanism of "being confident, willing and able to grant loans", benefiting 267,000 small and micro enterprise loan customers. Simultaneously, we proactively implemented fee reduction and price concession policies to continuously lower corporate financing costs. As a result, the interest rate for inclusive small loans decreased by 44 basis points compared to the beginning of the year.

Embracing a Prudent Approach, Building a Sound Bank

Huishang Bank adheres to the principle of maintaining prudence and caution in work without succumbing to the lure of quick success. In our daily operations, we adhere to a prudent, stable, and rational approach to risk management, prioritizing stability and progress, with the elimination of systemic financial risks as our non-negotiable bottom line. We actively collaborate in addressing local debt risks and emphasize our responsibility as a local mainstream bank. In 2024, Huishang Bank actively implemented the policy requirements aimed at ensuring that overdue housing projects are completed and delivered to meet people's basic living needs. The balance of financing loan for real estate projects across the province amounted to RMB 4.814 billion. Additionally, we strengthened risk management in key business areas, achieved a decline in both the non-performing loan ratio and balance, increased the core tier-1 capital adequacy ratio, and comprehensively optimized various risk indicators.

Preventing Funds from Being Diverted out of the Real Economy, Build an Innovative Bank

Huishang Bank adheres to the principle of preventing funds from being diverted out of the real economy. In our daily operations, we prioritize innovation to better serve the real economy. Guided by the "Nine Improvement Projects", we accelerate the development of new quality productive forces and aim to excel in the five major areas of finance by providing integrated, digital, and professional financial services. In 2024, Huishang Bank consistently aligned its efforts with local economic development. Through our high-quality financial services, we contributed to the development of "three regions and one district", and played a vital role in supporting the construction of a beautiful Anhui in line with the Chinese path to modernization. For several consecutive years, we have received an "excellent" rating in the provincial government's assessment of our support for local development.

Implementing a Governance Philosophy of Compliance with Laws and Regulations, Building a Transparent Bank

Huishang Bank adheres to principle of ensuring compliance with laws and regulations, and refraining from reckless actions. In our daily operations, we adhere to compliance with laws and regulations, and implement actions to improve our internal control and compliance management capabilities. We re-examine the rectification of significant issues in basic management, intensify our efforts related to anti-money laundering, case prevention and control, related transactions, and external management. These measures ensure we comprehensively strengthen the foundation of our internal controls. In 2024, Huishang Bank thoroughly advanced the digital and intelligent transformation of the internal control and compliance processes. We effectively integrated the oversight functions of discipline inspection, auditing, compliance, risk control, and the Board of Supervisors, aiming to build a transparent and clean bank.

Huishang Bank is committed to promoting a financial culture with Chinese characteristics by integrating theory with practice. We have fully incorporated the "Five Dos and Five Don'ts" principles into our efforts to promote the development of the five major areas of finance, and consistently deepened and refined our focus on technology finance, green finance, inclusive finance, pension finance, and digital finance. These efforts have yielded significant results in promoting high-quality economic development. In 2024, Huishang Bank achieved steady growth in both total assets and the size of deposits and loans. Our asset quality continued to improve. We ranked 24th among the "Top 100 Chinese Banks in 2024" issued by the China Banking Association and leaped to 112th place among "the World's Top 1000 Banks" issued by the Banker. Additionally, we won the first prize in the province's Labor Competition for Finance Supporting High-quality Development.



Technology finance

In the process of scientific and technological innovation, finance plays a crucial role in supporting the practical application of technological achievements, accelerating the development of new quality productive forces, and facilitating industrial transformation and upgrading. The development of technology finance can significantly facilitate the integration of the innovation, industrial, and capital chains, support enterprises in technological innovation, and drive modern economic development.

Huishang Bank is committed to developing a "financial engine" to propel scientific and technological innovation. To advance our strategic goals for developing technology finance, the Head Office has established and improved the Bank's technology finance management structure by implementing a "1+5+N" professional service management organization. This structure features a technology finance department at the Head Office + technology finance centers at branches + sub-branches dedicated to technology finance. Additionally, we have developed guidelines for building a technology finance ecosystem and formed a service alliance with over 30 investment, guarantee, and securities institutions to comprehensively support the innovation and development of technology-based enterprises. We have devised an action plan for comprehensive financial services throughout the life cycle of technology-based enterprises, introduced "Technology e-Code Pass", and launched innovative credit products such as "Technology R&D Loan", "Technology Talent Loan" and "Technology Achievement Transformation Loan". In 2024, Huishang Bank issued a total of RMB 20 billion in scientific and technological innovation-themed financial bonds. We provided credit lines amounting to RMB 114.413 billion to 1,575 customers in the new energy vehicle industry, and provided financial support for 2,195 upstream and downstream enterprises. The balance of loans for technology-based enterprises reached RMB 81.469 billion, marking an increase of 36.78% from the beginning of the year.



Green Finance

Huishang Bank is committed to refining its green financial service system. We have continuously introduced innovative green financial products and services, and promoted economic development and investment models that are ecologically focused. Our aim is to facilitate the transition to a green and low-carbon economy.

Huishang Bank remains committed to the carbon peaking and carbon neutrality goals, striving to promote the transition to low-carbon development. To clearly define the specific goals, key tasks, and resource guarantee mechanisms for the development of green finance, the Head Office has developed the *Action Plan of Huishang Bank for Green Finance (2022-2025)* and the *Comprehensive Service Plan of Huishang Bank for Green Finance*. These plans focus on six major areas: energy conservation and environmental protection, clean production, clean energy, ecological environment, green infrastructure upgrades, and green services, with priority given to supporting environmentally friendly and resource-saving enterprises and projects. In addition, we have increased credit support for fields related to coal, clean utilization, and the transition to green development, and actively promoted the allocation of credit resources to environmental protection industries and enterprises. We have launched several specialized green financial products, such as the "Green Loan for Mine Ecological Restoration", "Carbon Emission Rights Pledge Financing Business", "EOD Project Financing Service Plan", "Water Saving Loan", and "Sustainability-linked Loan". Furthermore, we have established a dedicated green finance team and launched a green finance management system. We have also set up a cross-departmental green finance work coordination mechanism and research group, regularly compiled special reports on green finance, and participated in the environmental information disclosure pilot programs organized by the People's Bank of China. In 2024, Huishang Bank invested in China's first corporate bond focused on "Carbon Neutrality, Rural Revitalization, and High-growth Industries", as well as Anhui Province's first green medium-term note in 2024. Additionally, we issued the province's first sustainability-linked loan to support the steel industry. The Bank's balance of green loans reached RMB 115.88 billion, marking a 40.6% increase from the beginning of the year.



Inclusive Finance

The core principle of inclusive finance is people-centered. As the key to demonstrating the fairness and inclusivity of financial services, the high-quality development of inclusive finance is conducive to addressing the uneven and inadequate development of financial services and the varying economic levels among regions in China. Inclusive finance can effectively support the improvement of people's livelihood and enhance the capacity of financial services to serve the real economy, facilitate rural revitalization, and promote common prosperity.

Huishang Bank has been deeply committed to promoting inclusive finance and adhering to the principle of finance for the people. To promote the real economy and regional development, we have fully supported the construction of Anhui Province's "1,000 Well-off Demonstration Villages and 10,000 Provincial-level Central Villages", and increased credit supply in areas such as infrastructure development, environmental improvement, and the relationships among farmers, the government and the market. In our efforts to support small and micro enterprises, we have introduced innovative integration of data from the sectors including industry and commerce, justice, taxation, patents, provident fund, and social security. We have continuously optimized our products like "e-loan for the Federation of Industry & Commerce" and "First-Time Borrower e-Loan", and have launched specialized e-loan online products for specialized and sophisticated enterprises. We have comprehensively promoted the online and offline integrated development of small businesses, upgraded the mortgage credit enhancement business model, completed the bank-tax interaction access upgrade in certain regions, and implemented real-time feedback of customer scoring and online business pre-examination results for the provincial comprehensive financial service platform. In 2024, Huishang Bank effectively enhanced the quality and efficiency of its inclusive financial services while actively promoting the high-quality development of its county-level institutions. Throughout the year, the Bank's balance of inclusive loans for small and micro enterprises reached RMB 154.399 billion, marking an 18.3% increase since the beginning of the year, and serving 267,000 customers. Simultaneously, we actively embraced the development of inclusive finance and continued to advance our counter bond business. In 2024, we expanded our customer base to 5,205—158 times the number in 2023—and significantly increased the penetration rate.

Pension Finance

As the issue of population aging becomes increasingly prominent, proactively planning the development of a pension finance system is an important strategic measure to boost and support the silver economy while alleviating the pressures of an aging population. Today's pension finance market holds significant potential. Advancing pension finance can enhance the well-being of the elderly while expanding the business scope of commercial banks, facilitating the transformation and upgrading of their business structures.

Huishang Bank has actively advanced its pension finance initiatives to ensure people's access to elderly care. Notably, we have issued the *Work Plan of Huishang Bank for Accelerating the Development of Pension Finance* and established a leading group for pension finance to improve the pension finance system. We have continuously expanded the coverage of our financial services for elderly customers by launching a mobile banking feature for personal pension appointments, providing access to various personal pension wealth management products, and partnering with multiple insurance companies to conduct joint testing of pension insurance products. Our efforts to promote the "rural revitalization + elderly care" financial service model have provided financing support for projects such as the Medical and Health Care Comprehensive Service Center in the Anqing Economic and Technological Development Zone. In line with our commitment to advancing elderly-friendly services, we have actively participated in developing the "Changchunhua" featured payment service brand for the elderly under the leadership of the Anhui Branch of the People's Bank of China, and upgraded and transformed both our offline service facilities and online service channels to cater to the needs of elderly-friendly services, thereby enhancing our comprehensive service capabilities and improving the accessibility of pension finance services. In 2024, the balance of corporate pension industry loans issued by Huishang Bank reached RMB 833 million. Additionally, we completed 102 "Changchunhua" specialty bank outlets, all of which passed the acceptance, and 407 branches in Anhui Province achieved full coverage of elderly-friendly services.

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Digital Finance

Digital technology is pivotal in economic modernization and transformation, and the deep integration of digital and financial sectors is an inevitable trend for the future. The advancement of digital finance facilitates the innovation of financial products, enhances the operational efficiency of financial institutions and the accuracy of financial services, and aids in the prevention and mitigation of financial risks. These developments ultimately enhance the effectiveness of finance in serving the real economy and are crucial for shaping the competitiveness of modern banks.

Huishang Bank is committed to excelling in digital finance to enhance service quality and efficiency. To enhance cognitive understanding and coordinate actions, the Head Office has established a leading group for fintech development. This group is headed by both the Chairman and the President, and includes members from of the Bank's Party Committee members and senior management. Additionally, we have developed the Strategic Plan for Fintech (2023-2025) and Long-Range Objectives through the Year 2035. This plan focuses on four major directions: digitalization, eco-friendliness, intelligence, and grouping, with business value at its core. It outlines eight major initiatives across five key areas: digital transactions, operations, risk control, management, and cloud infrastructure, all aimed at advancing the transformation of digital finance from data to practical applications. In 2024, Huishang Bank initiated a total of 21 fintech planning projects and put 54 projects into operation. The Science and Technology Department assigned 13 scientific and technological personnel to the main business departments and established 5 special agile teams to facilitate the agility improvements of business systems. Additionally, we launched the Trader Platform 2.0 and an intelligent voice navigation system, introduced the "Huiyin Treasurer" product, developed a remote banking operation system, and built data marts for public and management fields, promoting data sharing applications.

In 2024, Huishang Bank initiated a total of

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put **54**
projects into operation

The Science and Technology Department assigned

13
scientific and technological personnel to the main business departments

established

5 special agile teams

Responsibility Topic 2

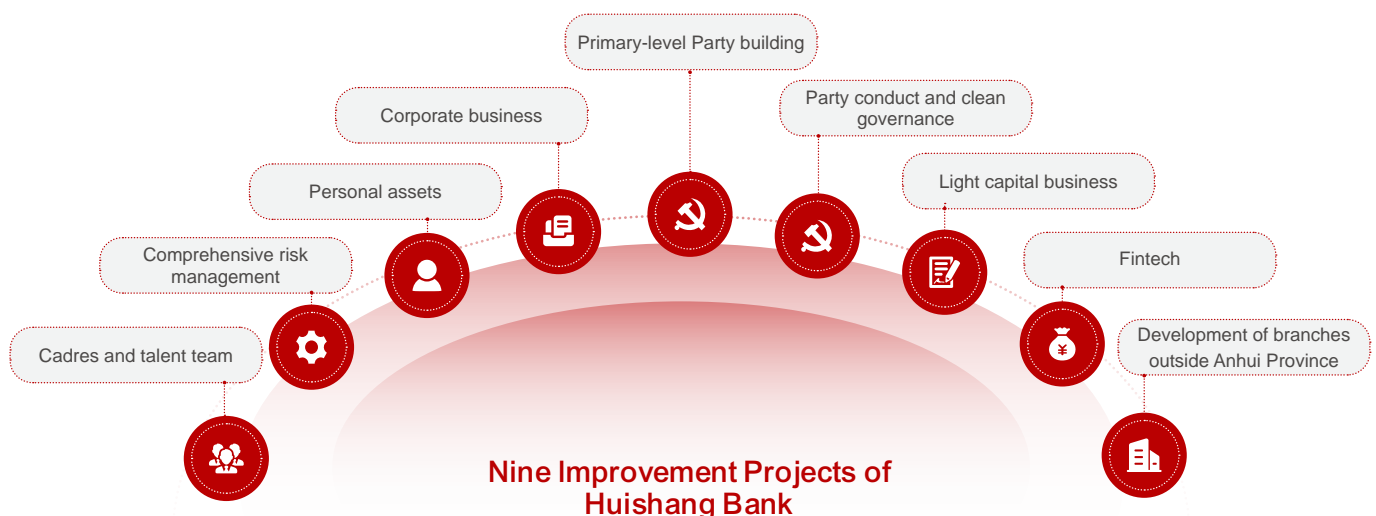
Advancing the "Nine Improvement Projects" to Build an Excellent Local Mainstream Bank

Huishang Bank is committed to implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, consistently prioritizing the support for local economic and social development. We actively promote the political and people-oriented nature of financial work and fully implement the decisions and arrangements of the CPC Anhui Provincial Committee and the People's Government of Anhui Province, as well as the requirements of regulatory authorities for the high-quality development of Huishang Bank. By accurately understanding regional development trends, we have strengthened our responsibility as the key player in Anhui's financial sector, coordinating our efforts in transformation, development, and strategy implementation to enhance our professional capabilities to strive for progress with determination. We remain steadfast in our efforts to "promote transformation, reduce costs, increase market share, maintain revenue, optimize structure, and control risks". With these goals in mind, we are steadily advancing towards our strategic goal of becoming an excellent local mainstream bank, aiming to become a domestic systemically important financial institution. We are embarking on a new journey towards high-quality development, aspiring to be a pioneering financial leader in the development of "three regions and one district", while contributing to Anhui province's role in Chinese path to modernization.

In 2023, Huishang Bank proposed an initiative to implement a transformation and improvement project focusing on nine key areas: primary-level Party building, Party conduct and clean governance, corporate business, light capital business, personal assets, fintech, comprehensive risk management, development of branches outside Anhui Province, and cadres and talent team. Since then, we have taken the "Nine Improvement Projects" a key starting point, focusing on key areas of business development and operation management. By leveraging the role of the Bank's Party Committee in setting the right direction, keeping in mind the big picture, and ensuring the implementation of relevant policies and principles, we are committed to pursuing development, promoting transformation, preventing risks, enhancing management, and improving our code of conduct. Our goal is to address shortcomings and build on our strengths by delivering exceptional financial services, operational performance, business management, corporate culture, and brand image. By doing so, we aim to achieve tangible results in the Bank's transformation and development, establishing ourselves as an excellent local mainstream bank.

Huishang Bank has consistently maintained a strategic vision centered on long-term development, placing great emphasis on the "Nine Improvement Projects". With a focus on the key areas of business development and operation management, as well as the three critical dimensions of Party building, business operations, and management, we have translated our strategic plans into detailed "construction blueprints". We have established a clear timeline for each phase, developed a seamless responsibility chain, and put in place a comprehensive system that integrates all stages and aspects of decision-making and planning, work promotion, supervision and implementation, as well as assessment and evaluation. By steadily executing and reinforcing responsibilities at every level, we aim to drive continuous improvements in the Bank's scale, structure, quality, and efficiency.

In 2024, Huishang Bank adhered to a pragmatic approach and systematically advanced the "Nine Improvement Projects" across four key areas: "pursuing transformation, promoting implementation, focusing on rectification, and strengthening publicity". This approach ensured that all tasks were effectively implemented. We propelled the Bank's high-quality development through concrete measures, contributing positively to serving local economic and social development, supporting the real economy, promoting financial stability, and further enhancing our influence and competitiveness in the regional financial market. Through these efforts, we have established a solid foundation to achieve our strategic goal of becoming an excellent local mainstream bank.





First, establishing annual tasks to pursue transformation

Focusing on the key areas and weaknesses in the Bank's reform and transformation efforts, we organized all leading departments to develop a task list for 2024, aiming to accelerate breakthroughs in the transformation process. We coordinated and organized more than **20** symposiums on various improvement projects, further increasing strategic, leading, and overall transformation tasks. Focusing on **62** work goals, we proposed **192** work measures and developed **317** specific work tasks, clearly defining the annual key tasks and implementation paths for reform, transformation, and improvement.



Second, conducting dispatch meetings to promote implementation

In accordance with the arrangements of the Bank's Party Committee, we held **4** special dispatch meetings and **1** comprehensive dispatch meeting in 2024. These meetings focused on addressing issues related to goals, policies, resources, and promotion, thus resolving outstanding challenges. Furthermore, we developed a list of **49** implementation items, **37** of which have been completed. We also continued to advance **12** long-term initiatives such as customer marketing and system optimization, to ensure their orderly implementation as planned.



Third, focusing on rectification to promote the improvement of results

Based on feedback from the consultation between the Bank's Party Committee and the Discipline Inspection and Supervision Team at the Bank, we consolidated responsibilities and implemented rectification. According to the requirements of the nine improvement projects, we guided **23** secondary institutions to refine their measures. We encouraged the key departments at the Head Office to spearhead the establishment of **2** special teams aimed at accelerating the introduction of business transformation strategies. We incorporated project implementation into our supervision and inspection processes, successfully conducting on-site inspections of **18** branches and key supervision of **15** branches. This effort has promoted the implementation of the arrangements of the Bank's Party Committee.



Fourth, strengthening publicity to foster an environment conducive to addressing challenging issues

We closely monitored the progress of the projects through meetings and surveys, and provided updates at the Bank's semi-annual meeting. We assist each leading department in publishing **53** pieces of publicity information on the intranet to highlight their effectiveness. In line with the requirements for digital transformation, we developed a management platform for the nine improvement projects. We completed **3** rounds of system function iterations and optimizations, enhancing online capabilities, and gradually establishing an online promotion mechanism.



Making Efforts to Strengthen Primary-level Party Building

Huishang Bank has consistently upheld the Party's comprehensive leadership in financial matters. By grounding our efforts in our own developmental context, we have thoroughly implemented the decisions and arrangements of the CPC Central Committee, as well as the requirements of the CPC Anhui Provincial Committee, and the Party Committee of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government. By emphasizing the strengthening of primary-level Party organizations, we have kept a focus on the primary level to comprehensively enhance the quality and effectiveness of primary-level Party building. This approach has established a robust foundation for the Bank's stable development, reform, and transformation, while fully embracing our mission to support the real economy and serve the public through our financial services.

In 2024, Huishang Bank followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We diligently implemented the general requirements for Party building in the new era, firmly adhered to the principle of "focusing on Party building based on development and promoting development through Party building", and kept a clear focus on the primary level. We made significant progress in improving the primary-level Party building. By focusing on the primary level, consolidating our foundation, addressing shortcomings, and bolstering weaknesses, we maximized the leadership role of Party building and continued to advance the collaborative efforts in primary-level Party building, effectively transforming the advantages of Party building into development benefits. We further consolidated the foundation of Party building across all primary-level Party organizations within the Bank and consistently improved the level of standardization in organizational development. Through these efforts, we strengthened the atmosphere of exercising full and rigorous Party self-governance, clearly demonstrating the key role of primary-level Party organizations and highlighting the exemplary and vanguard role of our Party members.

Measures and Results

First, with a focus on strengthening the political building, we have consistently reinforced our ideological foundation with Party's new theories.

We have thoroughly studied, promoted, and implemented the guiding principles from the third plenary session of the 20th CPC Central Committee, as well as General Secretary Xi Jinping's important speech during his visit to Anhui Province. Throughout the year, we organized **665** lectures, reaching an audience of over 10,000 people. We also developed implementation plans and work arrangements for Party discipline education, held warning education conferences, conducted **6,137** visits to warning education bases, and published more than **200** publicity reports.

Second, with a focus on strengthening the leadership of the Party Committee and the development of branch committees, we have further fulfilled our responsibility for Party building, thereby enhancing its quality and efficiency.

Throughout the year, we introduced **20** targeted measures to improve the primary-level Party building, conducted mid-term and annual supervision of Party building efforts, and strengthened the chain of responsibility for primary-level Party building. We made dynamic adjustments to the demonstration and cultivation banks of the "Pilot" program. As a result of our corrective actions, all **27** underperforming Party organizations met the required standards. Additionally, we identified **72** "Red Pillar Party Branches" and **231** "Pillar Pioneering" demonstration posts for Party members through re-evaluations, and we continued to award plaques for excellence. Moreover **265** individuals and **65** primary-level Party organizations were recognized as "Outstanding CPC Members", "Outstanding Party Workers", and "Advanced Primary-level Party Organizations", respectively, further clarifying the focus on promoting the superior and eliminating the inferior.

Third, with a focus on consolidating the foundation at the primary level, we have adopted a problem-oriented approach to comprehensively build up the strength of primary-level organizations.

Throughout the year, we conducted special investigations into the implementation of the initiative in which a branch secretary assumes multiple roles. As a result, **47** individuals took on responsibilities for both Party building and business operations. Additionally, **134** new Party members joined the branch committees. We developed a series of practical manuals focused on primary-level Party affairs and compiled exemplary cases of primary-level Party building. We organized **3** "Hui Xianfeng" training sessions and the **17**th training session for primary-level Party affairs cadres, gradually enhancing our capabilities in managing Party affairs.

Fourth, with a focus on Party building to promote development, we have refined the collaborative Party building mechanism, comprehensively improving the effectiveness of leadership through Party building.

Throughout the year, we issued the implementation plan for the Party building brand creation project aimed at primary-level Party organizations. The Party committees of **6** secondary institutions were each assigned the "one brand for one branch" initiative, while **105** branch committees received official titles for their "micro brands". We comprehensively refined the collaborative Party building mechanism. Party organizations at all levels conducted **1,456** collaborative Party building activities, resulting in a deposit growth of RMB **8.27** billion and issuance of loans totaling RMB **7.93** billion. The effectiveness of leadership through Party building was consistently demonstrated.



【Case: Establishing a Reading Class on Party Discipline Education to Deepen and Consolidate Party Discipline Education】

According to the requirements of the CPC Central Committee, the CPC Anhui Provincial Committee, and the Party Committee of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government on Party discipline education, and considering the specific context of Huishang Bank, we established a reading class on Party discipline education. All middle-level and senior cadres of Huishang Bank participated in this training. Through the reading class, the trainees gained a deeper understanding of the significance of the *Regulation of the Communist Party of China on Disciplinary Actions*. They further clarified the criteria for assessing daily conduct, enhanced their awareness of discipline and rules, and improved their ability to apply these discipline and law, truly holding regulations and the law in awe and speaking and acting prudently. This class further deepened and consolidated the Party discipline education.



Huishang Bank's Reading Class on Party Discipline Education



【Case: Lu'an Branch Engages with the Community to Promote the Guiding Principles from the Third Plenary Session of the 20th CPC Central Committee】

The leadership team of the Lu'an Branch's Party Committee engaged with primary-level Party branches through primary-level contact points, county-level high-quality development surveys, pre-holiday security inspections. They hosted a lecture on promoting the guiding principles from the third plenary session of the 20th CPC Central Committee, aimed at primary-level managers, workers and office staff, youth league members, and non-Party members.

At the meeting, the leadership team of the Branch's Party Committee provided a comprehensive overview and interpretation of the guiding principles from the third plenary session of the 20th CPC Central Committee, tailored to the specific context of Lu'an Branch. This involved thoroughly studying and understanding the guiding principles of General Secretary Xi Jinping's important speech at the plenary session, as well as the background and significance of the plenary session, and gaining a full and accurate understanding of the major measures proposed in the Resolution to further deepen reform comprehensively, along with efforts to implement the guiding principles from the plenary session.



Lu'an Branch Hosts a Lecture on the Guiding Principles from the Third Plenary Session of the 20th CPC Central Committee



【Case: Collaborative Learning and Party Building across Multiple Branches to Promote Coordinated Development between Government and Enterprises】

Guided by the new pattern of interconnected, complementary, and interactive primary-level Party building across institutions, regions, and industries proposed by General Secretary Xi Jinping during his visit to Shanghai, Huishang Bank has implemented an innovative collaborative model. This model features "collaborative learning of theories to drive progress, joint activities to facilitate exchanges, collaborative creation of bases to promote integration, joint establishment of mechanisms to enhance cooperation, and resource sharing to achieve win-win results". By doing so, we have effectively integrated Party building with business management. Adhering to the principles of open cooperation, mutual benefit, and win-win results, we have continuously encouraged Party organizations at all levels to strengthen internal and external exchanges and collaborations across industries, systems, and units. This approach has effectively stimulated the internal drive of Party building, enabling primary-level Party organizations to play a key role and allowing Party members to set exemplary and vanguard examples. As a result, we have initially established a new pattern of primary-level Party building characterized by "resource sharing, two-way service, and shared progress and success". Since 2024, Party organizations at all levels within the Bank have established 302 collaborative relationships in Party building with external entities, conducted 1,456 activities, acquired 1,120 new corporate clients, and gained 44,000 individual customers. These efforts have resulted in a deposit growth of RMB 8.27 billion, and facilitated the issuance of loans totaling RMB 7.93 billion. The effectiveness of collaborative Party building in promoting development has been consistently demonstrated.

The Party Committee of the Wuhu Branch and the Leading Party Members' Group of the People's Government of Nanling County jointly held a Party building activity at the Wuhu Education Center on Activities of Party Organization. Both parties engaged in discussions and exchanges regarding Party building, industrial development, and major infrastructure projects, identifying new avenues for further cooperation. The Sixth Party Branch of the Tongling Branch and the Party Branch of the Macro Policy and Financial Stability Department of Tongling Branch of the People's Bank of China conducted a collaborative learning and Party building activity at Tongling Construction Investment Holding Co., Ltd. The activity was designed to thoroughly study General Secretary Xi Jinping's important statements on financial matters, laying a strong foundation for enhanced cooperation in the future.

Since 2024, Party organizations at all levels within the Bank have established

302

conducted

1,456 activities

acquired

1,120 new corporate clients

gained

44,000 individual customers

resulted in a deposit growth of RMB

8.27 billion

facilitated the issuance of loans totaling RMB

7.93 billion



Wuhu Branch Holds Joint Party Building Activity at Education Center on Activities of Party Organization



Advancing Efforts in Party Conduct and Clean Governance

Huishang Bank has embraced a comprehensive governance approach, with full and rigorous Party self-governance as its indispensable cornerstone. We have committed to higher standards and stricter requirements to integrate the Party's lines, principles, and policies into every aspect of our operations. This ensures we maintain the correct political direction and achieve effective implementation. We have intensified our efforts to consistently rectify pointless formalities, bureaucratism, hedonism, and extravagance, strictly enforced discipline to deter corruption, improved systems to ensure that there are no opportunities for corruption to arise, and strengthened warning education to avoid the desire for corruption. Through these efforts, we aim to foster a culture of integrity and honesty, establishing a new paradigm in improving conduct, building integrity, and combating corruption.

In 2024, Huishang Bank followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and conscientiously implemented the work plans from the third plenary session of the 20th CPC Central Commission for Discipline Inspection, the fourth plenary session of the 11th Provincial Commission for Discipline Inspection. We continued to intensify our efforts in improving conduct, building integrity, and combating corruption throughout the Bank, maintaining a tough stance against corruption. By focusing on Party conduct and clean governance, and aligning with our main responsibilities and businesses, we targeted corruption in key areas and processes. This approach allowed us to continuously improve the quality and efficiency of our anti-corruption efforts. We effectively strengthened our efforts to improve conduct, build integrity, and combat corruption, while expanding and deepening these efforts. By doing so, we successfully implemented the central Party leadership's eight-point decision on improving conduct, creating a positive financial ecosystem featuring honesty, integrity, and diligence, and fostering new trends for the times.

Measures and Results



First, with a focus on improving conduct and building integrity, we have intensified our efforts to increase awareness of Party discipline throughout the Bank, improved the organizational structure of the directly affiliated discipline inspection committee at the Head Office, and ensured that the responsibilities for improving conduct and building integrity were fulfilled. Throughout the year, we held **141** warning education sessions for middle and senior Party member managers at the Head Office to enhance their awareness of integrity. We appointed outstanding individuals to serve on the directly affiliated discipline inspection committee and improved the working mechanism of the committee. Additionally, we refined the systems and mechanisms for improving conduct and building integrity, and conducted special meetings to review the assessment plan for the responsibility system for improving conduct and building integrity.



Second, with a focus on our main responsibilities and businesses, we have continuously enhanced the mechanism for coordinated case prevention and investigation, and developed a list of issues, responsibilities, and measures to track and assess their effectiveness in a timely manner. We have reinforced supervision over Party member management personnel within our jurisdiction and continued to advance the electronic and information-based management of integrity files. We have also revised the *Management Measures of Huishang Bank for Integrity Files* to ensure strict oversight of responses to opinions regarding Party conduct and integrity, thereby diligently fulfilling our supervisory responsibilities.



Third, with a focus on key areas, we have conducted in-depth supervision and inspection to rectify pointless formalities, bureaucratism, hedonism, and extravagance, and further implemented the central Party leadership's eight-point decision on improving conduct. Throughout the year, we completed comprehensive supervision and inspections of **25** secondary institutions to assess their efforts in improving conduct and building integrity. Additionally, we conducted both on-site and off-site inspections of **13** secondary institutions to rectify pointless formalities, bureaucratism, hedonism, and extravagance.



Fourth, with a focus on safety, we have developed a comprehensive plan for the Bank's handling of public complaints and proposals. Throughout the year, we issued the *Key Points of Huishang Bank's Efforts in Handling Public Complaints and Proposals for 2024*, convened a bank-wide meeting to outline our objectives and tasks for 2024, and clearly defined our goals in this area. Adhering to the principle of "serving the people through effective handling of public complaints and proposals", we facilitated the collection and sharing of exemplary cases, conducted specialized training on the legalization of complaint processing, and strengthened the foundation at the primary level for handling public complaints and proposals. As a result of these efforts, we received commendation from the CPC Anhui Provincial Committee and the People's Government of Anhui Province, being recognized as the "2023 Provincial Outstanding Organization in Handling Public Complaints and Proposals".



Fifth, with a focus on transforming our efforts to improve conduct into a widely accepted norm, we have established a platform for Party conduct and integrity education, and worked to develop a culture of financial transparency. Throughout the year, we implemented initiatives to promote integrity and education across **10** areas. We actively engaged employees in knowledge competitions with the theme "Learning Ideas, Strengthening the Party Consciousness, Emphasizing Integrity, and Establishing New Trends" through the "Zhiniao" online platform, which saw participation from **6,352** employees. Additionally, we conducted case warning education, using real cases to raise awareness, clarify discipline, promote reform, and enhance governance.

Focusing on Stabilizing Corporate Business

Huishang Bank is committed to strengthening its corporate business foundation. By leveraging digital transformation and guided by an integrated finance approach, we prioritize product innovation to enhance inter-departmental collaboration and promote the transformation and upgrading of our corporate business. By actively capitalizing on market opportunities, optimizing our business structure, and expanding our high-quality customer base, we maintain a competitive edge in corporate business within the province. We continuously enhance our ability to serve the real economy, driving high-quality and sustainable development in our corporate business.

In 2024, Huishang Bank focused on strengthening its business foundation and building development momentum to maintain a steady growth trajectory. We accurately identified market trends and actively expanded our portfolio of high-quality assets to fully support regional strategies and key industries, develop new quality productive forces, and enhance our political awareness in serving characteristic industries. We implemented a variety of measures to unlock potential deposit growth and actively promoted the marketing of key accounts, such as those in finance and social security, to effectively mobilize funds for bond issuance. We continued to optimize our customer base structure and expanded our corporate clients. By strengthening our focus on institutional business, we improved financial accessibility for private economic entities within the province. We also standardized the management of various policies supporting private enterprises, providing comprehensive financial services for these businesses. Through innovative service models and increased resource investment, we continuously enhanced our market influence and brand recognition, actively promoting the integration of online and offline services. This approach has provided more convenient and efficient financial services for small and micro enterprises. Additionally, we advanced the integration of domestic and foreign currency operations, strengthened coordinated collaboration between parent and subsidiary companies, and integrated resources to deliver one-stop, integrated financial solutions that meet customers' diverse financial needs.

Measures and Results

First, steadily advancing the transformation of integrated finance

We have united the efforts of the Head Office, branches, businesses, and parent and subsidiary companies to effectively drive the rapid implementation of the Bank's integrated and coordinated marketing initiatives. Relying on the four major coordination mechanisms of "corporate credit grant", "corporate investment", "internal coordination for corporate business", and "parent-subsidiary companies", we have addressed challenges in the comprehensive development of asset businesses at both branch and sub-branch levels. We have strengthened support for key customers, improved resource intermediation between corporate business and subsidiaries, and enhanced business synergy across departments involved in corporate business. By effectively breaking down departmental barriers, we have maximized the advantages of the Bank's integrated and coordinated marketing efforts, promoting the transformation of integrated finance at the mechanism level. This approach has allowed us to provide customers with integrated solutions that cover the entire process and lifecycle. Additionally, we have intensified our efforts to introduce an innovative credit review mechanism, expedited solutions to bottlenecks in credit business development, and significantly improved the efficiency of resource allocation in credit approvals.

Second, maintaining the trend of high-quality business development

We have remained focused on major strategies, including the integrated development of Yangtze River Delta, the "one circle and five districts", the "three regions and one districts", and the "Revitalization of Northern Anhui". We have prioritized key areas such as infrastructure, green finance, new energy vehicles, advanced manufacturing, strategic emerging industries, high-quality private enterprises, and rural revitalization. We have anchored our efforts on key customer groups, including state-owned enterprises, enterprises above designated size, medium-sized enterprises, (proposed) listed companies, park enterprises, and specialized and sophisticated enterprises that produce new and unique products. Through introducing targeted work plans, promoting credit supply in key areas, and maintaining relationships with key customers, we have fully supported critical sectors such as primary industries, emerging industries, and green finance. This has been done while continuing to increase financial support for the real economy, with the goal of establishing a strong market position as a mainstream bank in the industrial finance sector.

By the end of 2024, the Bank's corporate loan balance had reached RMB **518.7** billion, marking an increase of RMB **51.16** billion, or **10.9%**, from the beginning of the year.

Third, continuously strengthening the customer base

We have established a hierarchical and classified management system for corporate customers, enhanced our professional business capabilities within the industry, and strengthened our engagement with key and characteristic customer groups. We have employed the whitelist model to analyze and categorize target enterprises across various industries, establishing a service mechanism for nurturing and tracking medium-sized enterprise customers. Additionally, we have conducted special improvement projects for medium-sized customers to strengthen our corporate customer groups. Through the investment quotas allocated to the Head Office's star-rated strategic customers and key special customers, we have supported the issuance of key customer credit bonds at the branch level, significantly enhancing the Bank's ability to provide comprehensive financial services to our key corporate customers.

By the end of 2024, the number of active corporate loan accounts throughout the Bank had increased by **800** compared to the beginning of the year.

Fourth, capitalizing on the market opportunities of small businesses

Leveraging the five major platforms, i.e. parks, professional markets, industry associations, chambers of commerce, and supply chains, we have conducted proactive and targeted marketing efforts for small enterprises through a "platform + whitelist" approach to fully explore the market and deeply expand our services. We have continuously updated our online and offline products, optimized scenario-based services, and improved the quality and efficiency of model approvals, all in an effort to promote business growth.

By the end of 2024, the balance of our small business loans meeting our own standards reached RMB **107.121** billion. This marks an increase of RMB **17.685** billion since the beginning of the year, successfully maintaining a balance above RMB 100 billion. We served **24,616** small businesses, an increase of **4,408** from the beginning of the year. Our products and services for small businesses were selected as the "Typical Case of Finance Boosting the High-quality Development of the Private Economy for 2024" by the China Association of Small and Medium Enterprises.

Fifth, fully advancing technology finance

In accordance with Anhui Province's requirements for technology finance in 2024, aimed at supporting the establishment of a technology finance reform pilot zone and further advancing the "loan-investment coordination" and "common growth plan" initiatives, we have focused our efforts on ensuring the effective implementation of technology finance support policies to facilitate the transformation and development of corporate business. We have strengthened the development and management of franchised institutions, continued to optimize the "1+5+N" organizational structure for technology finance, and promoted quality improvement actions for characteristic institutions. By adhering to the "five no less than" regulatory indicator requirements, we have enhanced the professionalism and focus of our technology finance services. We have also intensified our efforts to introduce innovative technology finance products and services. To support the innovation and entrepreneurship of high-level talent, technical research and development, and the transformation of achievements, we have formulated relevant product management measures. Additionally, we have provided special financial services, such as talent loans and R&D loans, for technology-based enterprises.

By the end of 2024, our loans for technology-based enterprises had increased by more than **35%**, reaching a record high not seen in nearly five years and surpassing three thresholds of RMB **10** billion within the year.

Sixth, vigorously promoting the development of supply chain finance

To further strengthen the management of our supply chain finance business and promote standardized and targeted operations, we have refined relevant systems and requirements to ensure that our supply chain finance services could more efficiently and accurately reach the targeted customers, effectively addressing the financing needs of upstream and downstream enterprises within the industrial chain. We have continued to expand our scenario-based supply chain business and accelerated the development of supply chain infrastructure. By collaboratively building a new industrial financial ecosystem, we have established direct connections between the industry and finance platforms of core enterprises and mainstream third-party platforms, thereby expanding application scenarios for our "Supply Chain Finance" service plan and "e-loans for supply chains". By capitalizing on opportunities with high-quality core enterprises, we have broadened the basic customer base of the supply chain. We have iteratively enhanced the mobility of our supply chain finance offerings by introducing innovative platforms such as the supply chain finance mobile terminal and the supply chain finance 2.0 system, consistently improving the competitiveness of our supply chain products and user experience.

By the end of 2024, the supply chain loans granted by the Bank had increased by **70%** year-on-year, achieving **107%** of our annual plan. The number of active corporate accounts under supply chain finance had grown by **119** from the beginning of the year, marking an increase of **54%**.



【Case : Collaboration between Huishang Bank and an Automobile Manufacturer to Explore New Supply Chain Finance Solutions】

Huishang Bank has collaborated with a domestic automobile manufacturing group, an independent brand engaged in the research and development, trial production, production, and sales of complete vehicles, powertrains, and key components. Given the relatively long supply chain in the automotive industry, the group requires a substantial number of parts for daily production, leading to increased accounts payable. To optimize cash flow, the group has established a supply chain finance platform, leveraging financial instruments to settle accounts with suppliers. It has also brought in banks and other financial institutions to provide financing services for upstream and downstream enterprises in the automotive supply chain. This initiative has helped the group reduce overall costs and improve operational efficiency. Through our independent research and development efforts, we have achieved system integration with the group's supply chain finance platform, enabling us to provide online financing services to the group's customers within the industrial chain.



【Case: Fuyang Branch Strengthens Financial Empowerment to Propel Fuyang's Characteristic Industries】

The Fuyang Branch has focused its efforts on nurturing Fuyang's characteristic industries by expanding, enhancing, and solidifying industrial chains. It has actively implemented projects aimed at attracting investments and talent to foster enterprise development. Committed to providing financial support for the high-quality development of Fuyang's top ten characteristic industries, the branch has employed a "one case for one chain" approach to ensure the targeted allocation of credit resources.

Throughout the year, the Fuyang Branch invested RMB 12.817 billion in public funds, providing robust financial support for key areas and major projects such as infrastructure, rural revitalization, and urban renewal within the city. The branch also implemented the Bank's strategic initiatives, promoted key business activities, and achieved full coverage of "Huiyin Treasurer" for mainstream platform customers across the municipal level, three districts, and five counties. Additionally, the branch fostered the integrated development of the Party and the industry by signing a collaborative Party building agreement and a strategic cooperation agreement with the Fuyang Veterans Affairs Bureau, marking a new chapter in mutual support and cooperation, and integrated development of the Party and the industry.



Symposium of the Fuyang Branch on the Army Day on August

Enriching Innovative Light Capital Business

Huishang Bank views the light capital business as a pivotal element of strategic transformation. By closely aligning with customer needs and market trends, we have consistently advanced our efforts in this area. We have promoted diversified innovations in light capital business, vigorously developing sectors such as investment banking, transaction banking, wealth management, and asset custody. Additionally, we have prioritized online, digital, and integrated transformations to expand our scale, increase market share, and enhance brand awareness.

In 2024, Huishang Bank fully embraced its role as a key player in finance by intensifying efforts to expand its light capital business, increasing interest and fee income as well as comprehensive income, and stabilizing revenue levels. We focused on expanding our investment bank bond issuance business by directing resources to regions with favorable conditions and vibrant economies. We also fully equipped our professional teams to seize market opportunities and increase our market share. With a focus on the R&D of innovative products, we continuously enriched and optimized our product architecture while customizing tailored financial solutions to meet the diverse needs of various customer groups and business scenarios. Leveraging resource synergies within and outside the province, we consistently promoted our online and mobile products and services. We worked to strengthen our transaction banking services to increase our market share. We enhanced market analysis and policy judgment, improved our inter-bank customer service system, and optimized investment operations, thereby increasing our contributions to comprehensive income and revenue. By focusing on stabilizing scale, reducing costs, increasing revenue, and controlling risks, we continued to promote the optimization and transformation of our inter-bank business while enhancing our asset-liability management capabilities. We increased our support for the coordination between underwriting and investment, effectively driving improvements in credit bond issuance, underwriting volume, and market ranking. Through accelerated innovation in the light capital business, we focused on innovation-driven development, coordinated collaboration, and targeted services, comprehensively enhancing our ability to serve local economic and social development.

Measures and Results

First, incorporating a "light capital" development approach throughout the entire process of operation and management to support the Bank's growth in this area

We have adopted a "capital-light" development approach by optimizing our asset portfolios and refining our asset-liability management with a focus on capital constraints, thereby promoting the development of light assets, balanced liabilities, and diversified income.

By the end of 2024, Huishang Bank's risk-weighted assets accounted for **63.6%** of the total assets, marking a decrease of **3.2** percentage points from the previous year. Additionally, net income from fees and commissions increased by **1.57%** compared to the previous year.

Second, increasing the comprehensive contribution of the investment banking business

We have continued to strengthen the coordinated marketing efforts for corporate business, including coordinating underwriting and investment to drive the development of our bond underwriting business, thereby promoting the growth of our corporate liability business. We have increased assessments and incentives for the underwriting business, guiding branches to focus on light capital transformation initiatives and encouraging them, both within and outside the province, to enhance their bond underwriting volume. We have advanced innovation in our debt financing business by introducing groundbreaking products like "Rural Revitalization Notes" and "Sci-tech Innovation Notes". Additionally, we have introduced innovative business service models to scale up other investment banking activities, including merger and acquisition financing and asset securitization.

By the end of 2024, Huishang Bank's underwriting amount for debt financing instruments had increased by **50.88%** compared to the previous year. Our ranking in both provincial and national markets improved, consistently enhancing our brand influence as a bond bank.

Third, focusing on innovating and promoting the key business of transaction banking

We have continued to increase our investment in trade financing assets and consistently expanded the circulation channels for forfaiting under domestic letters of credit. For the first time, we have developed a mobile app for international business to provide customers with cross-border financial services, including applications, inquiries, and notifications for international settlements, trade financing, and foreign exchange settlement and sale. We have strengthened the coordination between domestic and foreign currency operations and seized opportunities to consistently expand our influence in the foreign exchange trading market. By integrating online and offline resources and leveraging mobile internet finance, we have introduced innovative business scenario applications to deliver efficient and convenient cross-border financial services.

Fourth, empowering the Bank's asset and liability business through custody services

We have consistently iterated and upgraded our "Rongxintong" products, with a focus on improving the efficiency of investment and financing coordination. As a result, we have achieved significant growth in custody size, general deposits, and inter-bank deposits. By the end of the year, the "Rongxintong" business had exceeded RMB 130 billion. Additionally, through interdepartmental collaboration and coordination between the Head Office and branches, we have organized special marketing activities for government industrial fund custody services, promoted information sharing, and strengthened coordinated marketing efforts for mother funds and sub-funds across branches. These efforts aim to establish a long-term mechanism for the coordinated marketing of industrial funds. We have also continued to expand our government industrial fund custody services, achieving the top tank in the province for both the size and the number of new industrial fund custody services for the year.

By the end of 2024, Huishang Bank's custody size stabilized at RMB **1.1** trillion, exceeding our annual target. Meanwhile, custody fee income reached a record high of RMB **619** million.

Fifth, enriching the wealth product portfolio to strengthen the brand influence of Huiyin Wealth

We have optimized our cooperative institutions, enriched our wealth management product portfolio, and refined the selection, tracking, and evaluation processes for our products. We have increased the issuance and sales of closed-end, fixed-opening, and cyclical wealth management products while broadening the consignment channels for these offerings to continuously optimize our product structure. Additionally, we have expanded our marketing channels and enhanced customer process management, thereby boosting the brand influence of Huiyin Wealth. Furthermore, we have further integrated business and technology by launching Mobile Banking 7.0. This new platform features five major interfaces, i.e. wealth management, financial management, funds, insurance, and precious metals, comprehensively enhancing the investment experience on our online channel.

By the end of 2024, Huishang Bank had **1.149** million wealth management customers, reflecting a **17.77%** increase from the previous year. Additionally, we had **112,500** high-net-worth customers, marking a **16.43%** increase from the previous year.



【Case: Ningbo Branch's Commitment to the Custody Business Ecosystem, Empowering Regional Economic Development】

Leveraging the agglomeration advantages of financial institutions in the Yangtze River Delta region, the Ningbo Branch has continued to enhance its strategic partnerships with peer institutions, making significant progress in developing the custody business ecosystem. By collaborating with targeted industry-leading resources, the branch has established cooperation with 10 major peer institutions, including Lujiazui International Trust Co., Ltd. and Hangzhou Industrial & Commercial Trust Co., Ltd., strategically expanding its financial cooperation network. The branch has developed a solution that integrates "product, channel, and service", effectively addressing the diverse financing needs of local enterprises. Leveraging the coordinated development mechanism, the branch has made significant advancements in custody business. In 2024, the custody size of implemented projects reached RMB 7.741 billion, setting a new benchmark for collaboration with peer institutions driven by innovation and injecting robust financial momentum into the high-quality development of the regional economy.



Ningbo Branch Collaborates with Peer Institutions to Empower Regional Economic Development



【Case: Shenzhen Branch's "Easy Remittance" Service Facilitates Efficient Settlement for Supply Chain Enterprises】

The international business customers of the Shenzhen Branch primarily consist of supply chain enterprises. These enterprises are mainly engaged in importing technological products such as electronic components, mobile phone parts, integrated circuits, all-in-one VR headset parts, and smartphones. Therefore, they have extremely high requirements for settlement efficiency. To better serve its customers, the Shenzhen Branch has proactively enhanced its "Easy Remittance" service. This service allows customers to complete import payments by uploading electronic documents via online banking, significantly enhancing settlement efficiency. As a result, customers can capture market share and expand their credit lines with the Bank.

In 2024, the Shenzhen Branch's "Easy Remittance" service supported numerous enterprises, further strengthening customer loyalty. Aligned with the foreign exchange facilitation policies of the State Administration of Foreign Exchange, the branch comprehensively enhanced its international settlement capabilities, laying a strong foundation for expanding its customer base.

【Case: Expansion of "Tariff Pass" Service Facilitates Convenient Tax Payment for Foreign Trade Enterprises】

To expand the channels for tariff payments available to foreign trade enterprises and enhance their ability to serve the real economy, Huishang Bank has introduced an electronic payment service for customs tariffs ("Tariff Pass" service). This service enables enterprises to choose Huishang Bank as their designated clearing bank via the "single-window" tax handling portal, facilitating their one-stop online handling of electronic tariff payment processes, including contract signing, declaration, withholding, and transfer to the treasury.

In 2024, to better serve branch customers outside Anhui Province with online tariff payments, Huishang Bank initiated the expansion project for the "Tariff Pass". This project successfully passed the acceptance tests for the tariff business expansion of TIPS conducted by the People's Bank of China and the General Administration of Customs. As a result, we officially launched online tariff payment services in five major customs areas, achieving comprehensive coverage of the "Tariff Pass" service for branches both inside and outside the province, and significantly facilitating tax payments for foreign trade enterprises.

【Case: Xuancheng Branch Contributes to Financial Innovation and Local Economic Development】

Amid the ongoing supply-side structural reform of the financial sector, the Party Committee of Huishang Bank's Xuancheng Branch has consistently pursued a dual-focused strategy of "development driven by both Party building and business", and innovatively established an integrated development model of "red engine + financial innovation". In 2024, the Xuancheng Branch enhanced product innovation through Party building. It invested RMB 486 million in supply chain financing, marking a year-on-year increase of 151.81%. Additionally, it invested RMB 830 million in trade financing, enhancing service efficiency by 40%. Thanks to the branch's effective promotion of foreign exchange hedging instruments, its hedging rate ranked among the top three in the Bank. The average daily foreign currency deposit reached USD 67 million, representing a year-on-year increase of 570%. This achievement indicates the establishment of a "dual circulation" pattern featuring coordinated development between domestic and foreign currency operations. Leveraging the "government-bank-enterprise collaborative Party building" mechanism, the branch provided customized solutions for 107 foreign-related enterprises. This initiative positioned the branch as the city leader in the growth rate of cross-border RMB receipts and payments, propelling it to receive favorable evaluations from regulatory authorities.

In 2024, the Xuancheng Branch contributed RMB 1.316 billion to invigorate the regional economy, activating the "blue engine" of the real economy with the "red momentum" of Party building. This initiative provided robust financial support for local high-quality development and demonstrated the commitment of a provincial commercial bank.



Financial Innovation Practice of the Xuancheng Branch

Pursuing Development of Personal Asset Business

In 2024, Huishang Bank further reinforced its personal financial business, establishing it as a cornerstone, a new driving force, and a stabilizer. We continued to emphasize our business philosophy of "aligning with the market and achieving win-win results with customers". By focusing on three major areas—personal credit, online loans, and credit cards—we strengthened coordination across different segments, between the public and private sectors, and in resource allocation. This approach has accelerated the transformation and development of our personal financial business, continually enhancing the contribution of our personal asset business.

Huishang Bank is fully committed to implementing the work requirements of "creating distinctive characteristics, reconfiguring layouts, and building brands". With a focus on strategies for "transformation breakthroughs and capacity improvement", we have accelerated the reform, transformation, and innovation-driven development of our personal financial business. This effort includes continuously strengthening the customer management system, intensifying our promotion of innovative personal financial products, advancing digital transformation, and accelerating the growth of operating indicators for our personal asset business. We have implemented various measures to fortify the foundation of our personal asset business, steadily promoting the high-quality, high-standard, and high-level development of personal consumption loans, personal business loans, credit cards, and other related services, thereby continuously enhancing the market competitiveness of our personal asset business.

Measures and Results

First, achieving new advancements in online development

We have deeply integrated the personal asset segment of the Bank with fintech, continuing our efforts in the R&D of intelligent products, the online development of business processes, and the advanced data mining and application. These initiatives have resulted in significant breakthroughs in expanding our customer base. With a focus on product supply-side innovation, we have enriched the scope of financial services, creating a more diverse product and service ecosystem that better meets market demand.

In 2024, "Huixiang Xin Yi Loan" saw an increase of RMB

5.331 billion

The personal asset business, as one of the Bank's leading segments in effective integration with fintech, has advanced in intelligent offerings, online services, and data mining, resulting in a more innovative and diverse array of product offerings and financial services. For example, we have launched the self-operated online loan service, "Huixiang Xin Yi Loan", and issued loans on a large scale. We have optimized the repayment and other features, and launched a WeChat mini program for "Huixiang Xin Yi Loan". Additionally, we have conducted data analysis for "Huixiang Xin Yi Loan", and optimized our product approval strategies. In 2024, "Huixiang Xin Yi Loan" saw an increase of RMB 5.331 billion, surpassing the annual target.

Second, consistently promoting the optimization and integration of channels

We have expanded external cooperation in the online loan business by broadening scenarios and fostering partnerships with municipal platforms. We have explored traffic exchange business models by engaging with eight institutions, including ByteDance and Lexin, to integrate advantageous resources, expand our customer base, diversify our channels, and boost customer engagement. This strategy has enabled us to achieve effective growth in both scale and profitability. With a focus on the automotive installment business, we have concentrated our efforts on enhancing product functionality, staying ahead of our peers in terms of product competitiveness. Additionally, we have aligned with the trend of online credit card consumption by collaborating with leading online platforms to create "consumption + installment" scenarios, broadening our channels and enabling us to continue expanding our credit card business.

Third, focusing on new agricultural businesses to address their financing needs

We have developed exclusive products and continuously optimized their functions while strengthening channel cooperation with Anhui Province Agricultural Credit Financing Guarantee Co., Ltd. Additionally, we have established an online system to deliver fast and efficient credit services to green finance customers through system support, data empowerment, and online operations, among other processes and functions. Additionally, we have launched an innovative scenario-based finance initiative by introducing the "Huinong Revitalization Loan" online credit service with the "Agricultural Machinery Scenario," specifically designed for specialized households requiring agricultural machinery and equipment. By creating a financial scenario of "bank + farmer + agricultural machinery dealer," we aim to address the challenges our customers face, such as insufficient funds and inadequate collateral when purchasing agricultural machinery and equipment. Throughout the year, approximately 3,000 "Huinong Revitalization Loans" were issued, totaling nearly RMB 1 billion.

totaling nearly RMB

1 billion

Throughout the year, approximately

3,000

"Huinong Revitalization Loans" were issued

Fourth, actively safeguarding the rights and interests of existing mortgage customers and promoting the orderly adjustment of interest rates for existing personal housing loans in accordance with the law

To implement the decisions and arrangements of the CPC Central Committee and the State Council and to adapt to the new dynamics in the supply and demand of the real estate market, we have diligently implemented regulatory requirements, gradually adjusting the interest rates for existing housing loans and improving the pricing mechanism as scheduled. With a focus on three key aspects regarding existing housing loan interest rates—LPR base point reduction, pricing cycle re-selection, and normalized adjustment of deviation base points—we have clearly defined business rules and issued relevant announcements. As a result, more than 200,000 customers have benefited from lowered strike rate on their existing housing loans, resulting in a profit concession of nearly RMB 50 million for the current period.

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Fifth, continuing to unlock the potential of customer resources

In terms of personal asset business, we have achieved significant results in unlocking the potential of our existing customers. We have promoted the optimization and enhancement of consumer finance product functions and services, fully leveraging finance's role in driving consumption to support residents in achieving consumption upgrades. To meet residents' needs for bulk consumption, we have integrated online and offline product and service models while continuing to optimize and enhance our consumer finance products and functions. For example, we have designed the innovative "Renewal e-loan" and developed a remote video verification feature for consumer loans, catering to customers' needs in consumption scenarios such as home improvement, home appliance purchases, and car acquisitions. Furthermore, we have implemented initiatives to reduce fees and make appropriate interest concessions while increasing our publicity efforts to promote financial literacy. We have guided residents in selecting consumer finance products and services that best meet their needs, further enhancing our service capabilities, efficiency, and overall customer experience. We have explored cross-marketing opportunities with existing social security card customers and launched a platform for mutual loan telemarketing, including customer profiling and performance analysis, to revitalize our current customer base. We have further advanced our "dual card drive" strategy by integrating credit card customers with our internal retail customers, optimizing our overall customer base structure, and enhancing brand loyalty among customers.

Deeply Integrating with Fintech

Fintech represents a new quality productive force that drives the transformation and development of the banking industry in the digital era, serving as a crucial factor for success in today's fiercely competitive environment. Huishang Bank adheres to the principle of using technology for "value creation," boldly leading the way in reform and injecting innovative momentum into the high-quality development of the entire bank.

In 2024, Huishang Bank leveraged a "dual drive" strategy combining digital technology and data elements to establish an enterprise-level framework and a technology-based governance system tailored to the development of a digital bank. We focused on enhancing our financial service capabilities, data management capabilities, and fundamental digital skills. We advanced the implementation of fintech strategic planning and improvement projects in an orderly way, emphasizing the application of new technologies such as AI and large models. We facilitated digital transformation in areas such as customer group management, product design and creation, and scenario integration. Additionally, we explored new models of digital financial services to build a leading digital bank. We continued to refine our data governance system, promote the establishment of a data center, and enrich our data resources. Additionally, we developed an agile model center system, accelerated the deployment of key scenario applications, and unlocked the potential of data elements. This approach has empowered and enhanced our business capabilities, allowing us to effectively harness fintech to reshape core competitiveness and drive the digital transformation of the entire bank.



Huishang Bank Receives the Third Prize of the Fintech Development Award Issued by the People's Bank of China

Measures and Results

First, advancing technology planning and improvement projects in an orderly way

Guided by our fintech strategic plan, the technology department has effectively adjusted the fintech strategic projects and monitored their implementation progress. Furthermore, we have consistently tracked and executed financial improvement projects.

In 2024, Huishang Bank launched **54** fintech strategic projects and achieved a significant milestone by securing our first-ever technology invention patents. Our technology investment reached RMB **1.39** billion, representing over **4%** of our operating income for the first time. As the sole representative of corporate banking financial institutions in Anhui Province, we received the third prize of the Fintech Development Award issued by the People's Bank of China.

Second, improving the data governance system, continuing to promote the establishment of a data center, and enhancing data service capabilities

We have strengthened our data governance functions by advancing the implementation of data standards and enhancing data quality management at the source. As a result, we have effectively improved the data governance system of the entire bank. We have continued our efforts to establish a data center and create data marts in both the corporate business and management sectors. This enables centralized management and efficient utilization of data resources, thereby enhancing our responsiveness to data needs and improving deliverability. Additionally, we have enriched our data resources by strengthening the acquisition and management of external data, improving the service efficiency of big data laboratories, maximizing the value of data elements, and implementing robust data security controls. We have further explored data application scenarios, actively promoted external collaborations, and expanded the research, development, and application of data models. As a result, we have enhanced our overall data service capabilities, providing robust support for the business development of the entire bank.

Third, further integrating business and technology development to fully empower business growth

With a focus on key application areas for the digitalization of personal and corporate businesses, we have undertaken R&D of data products aimed at improving the capacity of various outlets, researched the coverage of corporate product offerings, and supported the digitalization of remote banking services through strategic project collaborations and major research projects. We have made significant strides in building a digital bank by developing and launching systems and platforms such as Remote Banking, Mobile Banking 7.0, and Management Accounting. Our efforts also support the research and development of innovative products like the "Huinong Revitalization Loan", "Huixiang Xin Yi Loan", and housing loan services. We have accelerated the promotion of digital and intelligent operations to achieve a deep integration of business, technology, and data. This progress has steadily enhanced our autonomous controllability of technology and improved the quality of our financial services, fully empowering business growth.

Fourth, enhancing the integration of projects and strategic planning

To implement the Bank's digital transformation strategy, we have employed fintech strategic planning and improvement projects as guiding principles. Our focus is on realizing data value, strengthening internal coordination, and enhancing autonomous controllability. We aim to gradually standardize management practices and promote the orderly implementation of various initiatives, providing robust data support for the high-quality development of the Bank's business.

Strengthening Comprehensive Risk Management

Huishang Bank prioritizes both development and security, embracing its responsibility as a local mainstream bank. We maintain a focus on risk management while preventing funds from being diverted out of the real economy. We operate under the guiding principle of "one goal, two major measures". Focusing on the digitalization of full-process credit risk management, we have consistently enhanced our nine risk management mechanisms, refined our comprehensive risk management system, and advanced toward more digitalized, full-process, and systematized risk management. We have accelerated the development of a digital risk control system by emphasizing data, models, processes, and risk control platforms to improve the intelligence, precision, and real-time capabilities of our risk prevention and control systems. Through these initiatives, we aim to achieve a coordinated and balanced development of scale, quality, and efficiency while managing controllable risks, ultimately realizing the value of comprehensive risk management and supporting the Bank's strategic goal of transformation and upgrading.

Measures and Results

01

First, implementing the digitalization of full-process credit risk management

We have developed a comprehensive work plan for the digitization of the entire credit risk process and established a leading group for this initiative. The work plan has been broken down into actionable steps, enabling us to comprehensively promote the online and digital transformation of key business areas, including customer management, and business declaration and acceptance.

02

Second, promoting the digital transformation of risk management

We have continued to refine the functions of the risk early warning system, restructured the credit systems, and established an initial analytical credit management system framework. We have developed an automated monitoring plan for risk models, set up a model data monitoring and evaluation mechanism, created operating procedures for the risk management platform, and consistently conducted risk model evaluations.

03

Third, enhancing asset quality to match the higher standards of listed city commercial banks

We have focused on risk prevention and control in the real estate sector, as well as the collection and disposal of large non-performing assets. By prioritizing key real estate projects, we have enhanced the closed-loop management of credit funds, conducted business risk investigation, accelerated the disposal of high-risk projects, and mitigated overdue risks.

04

Fourth, restructuring the operational risk management mechanism and improving the comprehensive risk management system

We have consistently optimized our operational risk management mechanism, launched consulting projects in operational risk management, and refined the group customer approval management process. Additionally, we have strengthened risk consolidation management for affiliated institutions concerning market risks, banking book interest rate risks, and information technology risks.



【Case: "Hui Zhi Xin" Risk Management Center Advances Digital Transformation of the Entire Credit Risk Process】

To actively implement the requirements set forth by national ministries and regulatory authorities for the digital and online transformation of the banking industry, and to further enhance digital risk management while supporting the Bank's high-quality development, Huishang Bank has launched the "Digital Transformation Project for the Entire Credit Risk Process". This comprehensive initiative includes eight individual systems that collectively form the "Hui Zhi Xin" risk management center. A dedicated leading group has been established to advance the project as a whole. With digital transformation at its core, the initiative aims to build a robust foundation in business processes, data applications, and digital tools, gradually shifting the full-process credit risk management system from experience-driven to data-driven, and from post-event remedial actions to proactive early warning, thereby improving the granularity and precision of management.

Advancing the Development of Branches Outside Anhui Province

Huishang Bank is committed to implementing targeted measures that are tailored to local conditions. We remain committed to the development strategy of "branch-specific policy" for branches outside Anhui Province, taking on the responsibility of attracting investments, enterprises, and projects to the province. Leveraging our characteristic businesses, we maximize our advantages to build a robust brand, foster a positive reputation, and set local benchmarks, thereby enhancing our contributions and working towards creating a pilot demonstration zone for transformation and upgrading.

In 2024, Huishang Bank focused on strengthening and advancing branches outside Anhui Province. Through special research and dispatch meetings, we addressed major issues during the promotion process as a whole, ensuring steady business growth of these branches. Additionally, we continued to refine the task list of development and improvement projects for these branches, guiding them to adapt to local conditions and develop characteristic and differentiated development models.

Measures and Results



First, making solid progress in strengthening and advancing branches outside Anhui Province

We have adhered to the "branch-specific policy" strategy for branches outside Anhui Province and issued the *2024 Task List of Improvement Projects for Branches Outside Anhui Province*. This initiative clarifies that the transformation will prioritize light capital businesses, such as transaction banking, investment banking, and custody, with the goal of creating distinctive and differentiated development models for these branches. Through special dispatch meetings, as well as specialized research at branches in cities like Shenzhen, Beijing, and Chengdu, we have directly addressed their specific needs in areas such as business development, resource allocation, and team building. This approach has facilitated the implementation of business optimizations. Additionally, we have guided branches to fully leverage various strategies, including restructuring, revitalization, and litigation execution, to help them unlock the value of non-performing asset packages.



Second, developing investment banking business to capture markets outside Anhui Province

We have continued to strengthen our coordinated marketing efforts for corporate business by employing strategies such as "investment-underwriting coordination" to expand our cooperative customer base. This approach has facilitated growth in our bond underwriting business and propelled the expansion of our corporate liability services. The Head Office has established a task-based marketing team responsible for promoting investment banking activities both within and outside the province, thereby assisting branches in expanding their bond underwriting services.



Third, developing transaction banking business to supplement credit resources

We have actively leveraged the regional advantages of branches outside the province in foreign trade to establish a customer base for international business and trade financing. Our goal is to increase the proportion of customers from real enterprises, manufacturing, high-tech, and other industries within our trade financing business, particularly in domestic securities, thereby building a stable and high-quality customer structure. Additionally, we have strengthened business support for supply chain finance at these branches, encouraging them to explore and expand scenario-based supply chain services, thereby promoting the development of digital and scenario-based supply chain finance services.



Fourth, assisting branches in developing custody business to expand customer acquisition channels

We have proactively undertaken a range of activities, including customer introductions, business promotions, and targeted assistance for branches outside the province. Our efforts have supported these branches in developing product plans, establishing connections with customers, expanding custody projects, and enhancing custody income, thereby creating distinctive growth points for the custody business tailored to local conditions. We have strengthened the iteration and upgrading of "Rongxintong" products, achieving significant growth in custody size, general deposits, and inter-bank deposits, thereby effectively driving the growth of our custody business. By the end of 2024, branches outside the province had initiated 130 new custody transactions, resulting in a net increase of RMB 43.9 billion. This accounted for 38% of the Bank's total.

Developing Cadres and Talent Team

Talent is the key driving force behind innovation and high-quality development. In 2024, with a long-term perspective, Huishang Bank continued to refine its talent management mechanism, actively promoting the development of an inter-disciplinary, professional, and versatile talent team while advancing digital and intelligent management. This has injected a strong impetus into the high-quality development of the entire organization and resulted in the creation of an exceptional talent team that adapts to changing times and leads industry development.

Measures and Results

First, promoting the development of an inter-disciplinary talent team

To accelerate the development of a fintech talent team, Huishang Bank has implemented multiple measures and achieved remarkable results. Specifically, we have organized the recruitment of technical experts and field specialists for fintech positions at the Head Office while launching campus recruitment to infuse youthful energy into our technology team. We have optimized job roles within the technology department by introducing professional business supervisor positions. This approach breaks down barriers between technology and business, encourages personnel exchanges and rotations, and promotes the deep integration of industry and technology. Additionally, we have enhanced talent development by organizing digital talent training camps in collaboration with the technology department. These camps provide specialized training and certification activities at junior, intermediate, and senior levels, aimed at improving employees' digital capabilities. Throughout the year, a total of 1,631 individuals participated in the training, with 903 successfully passing the certification, setting a record high and establishing a solid talent foundation for the Bank's digital transformation.

Second, promoting the development of a professional talent team

We have strengthened the development of professional talent teams across various business segments while accelerating the recruitment, training and utilization of professionals in financial markets, wealth management, investment banking, and review. We have organized the "Huihong Plan" Gold Medal Financial Manager Training Program, provided training for new corporate business account managers, and enhanced the development of account managers and product managers in our branches and sub-branches. These efforts aim to elevate the overall professional level of our talent team. Throughout the year, we organized 13 sessions of "One Lesson per Week" and four sessions of "One Lecture per Month." These training programs cover topics such as development planning in management accounting, tax treatment of debt-repaid assets, and the promotion and implementation of guiding opinions on financial accounting supervision. The aim is to help employees deepen their understanding of business knowledge and continually improve their professional capabilities in financial accounting.

Third, promoting the development of comprehensive business capabilities

We have consistently introduced innovative training methods, promoted the development of online learning platforms and training centers, and strengthened training resources to better serve frontline employees at the primary level and key talent. By the end of 2024, all branches had developed 1,070 centralized training programs, while departments and offices at the Head Office had created 250 programs, bringing the total to 1,320. These programs cater to cadres and employees both within and outside the Party, spanning various business segments and levels, with more than 130,000 participants trained.

Fourth, promoting digital and intelligent management

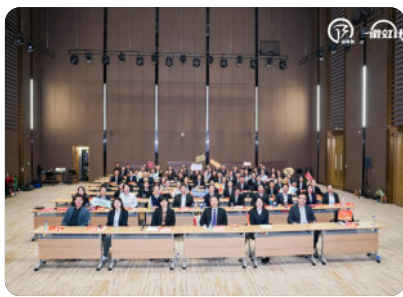
We have promoted the development of a new-generation human resources management system in an orderly manner, effectively enhancing the quality, efficiency, and digital empowerment of Huishang Bank's human resources management. We have advanced the "Digital and Intelligent DHR" integrated human resources management service platform, established a human resources information database, and created a human resources management data system that supports employees throughout their career cycles. Through these efforts, we have achieved digital, automated, and intelligent human resources management, and created a safe and stable information-sharing platform with a closed business loop, data interconnection, and flexible expansion, providing robust talent support for the Bank's high-quality development.



【Case: "Huihong Plan" Develops Gold Medal Financial Managers to Empower a New Engine of Wealth Management】

To promote the continuous growth of Huishang Bank's wealth management business and develop a team of versatile wealth management professionals, the Head Office selected 80 individuals from nearly 1,000 financial managers to participate in the "Huihong Plan" Gold Medal Financial Manager Training Program. Launched in 2023, the program aims to establish a hierarchical training system for financial managers.

In 2024, the training program was conducted for financial managers at the branches who ranked among the top in wealth management and private banking services. The program utilized a hybrid format of online and offline methods, combining training sessions with site visits. Focusing on three major themes, i.e. "Market Insight", "Customer Acquisition and Activation", and "Professional Quality", the program covered various topics, including macroeconomic analysis, interpretation of the new Company Law, and strategies for engaging mid- to high-end customer groups. During this training program, the financial managers visited Southern Asset Management, NIO, and the Private Banking Center of China Minsheng Bank. Additionally, we hosted a product and service innovation competition, which laid a solid foundation for our branches to establish wealth management centers and develop a talent reserve. A total of 78 financial managers successfully graduated, receiving the honorary title of "Gold Medal Financial Manager". This training has yielded remarkable results, injecting momentum into the development of the Bank's wealth management business and enhancing the competitiveness of our wealth management products.



Huishang Bank's "Huihong Plan" Gold Medal Financial Manager Training Program



01

Corporate Governance



Upholding Party-Building Leadership to Strengthen Governance Foundation

Guided by the principles of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Huishang Bank fully implements the guidelines of the 20th National Congress of the Communist Party of China and the Third Plenary Session of the 20th CPC Central Committee. The Bank has thoroughly studied and understood General Secretary Xi Jinping's significant remarks during his visit to Anhui, steadfastly followed the path of socialist financial development with Chinese characteristics, and integrated Party leadership into every aspect of our corporate governance. Moreover, we adhere strictly to business ethics and are dedicated to establishing a scientific, reasonable, and effective system of rules and regulations. We are enhancing our internal compliance and risk management practices to build a local mainstream bank recognized for our integrity, innovation, efficiency, and significance.



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Upholding and Strengthening the Party's Overall Leadership

Huishang Bank unwaveringly supports the Party's overall leadership in financial matters. The Bank strives to reinforce the Party's governance over finance while diligently implementing central directives and the requirements set by the CPC Anhui Provincial Committee. We unify our efforts and actions, oversee the overall situation, and coordinate various aspects under the Party's guidance. Furthermore, we are committed to driving special improvement projects across nine key areas to embark on a new journey toward high-quality development for Huishang Bank.

Achieving Excellence Through Integrated Party Building

Huishang Bank has consistently adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and prioritized Party building. We have systematically established a new development model led by Party building. By doing so, we can foster organizational synergy, resource integration, and collaborative work, and guide all our cadres and employees to help the Bank enter a new phase as an excellent local mainstream bank.

• Driving Financial Development Through Party Building

Huishang Bank adheres to Party management in financial operations. The Bank has thoroughly studied and understood General Secretary Xi Jinping's significant remarks during his visit to Anhui to ensure that we can make every effort to serve the province's overall development. In 2024, our new loans in Anhui exceeded RMB 116 billion, accounting for one-seventh of the province's total. We effectively addressed the five major types of finance, namely technology finance, green finance, inclusive finance, pension finance, and digital finance. Our annual growth rates in technology, manufacturing, and green loans were 37%, 23%, and 41% respectively. We earned the top prize in the provincial competition for finance-backed high-quality development and have received excellent ratings in the provincial government's assessments of contributions to local economic growth for years.

• Promoting Party Building Through Grassroots Organizations

Huishang Bank has established a principle of highlighting development to support Party building and leveraging Party building to foster development. We continuously enhance the cohesion and effectiveness of our Party organization through collaborative and collective grassroots Party-building efforts. In 2024, the Head Office introduced 20 specific measures to improve grassroots Party building and implemented mid-year and annual Party-building supervision. We compiled practical manuals for grassroots Party work, documented exemplary Party-building cases, and adapted our Pilot Plan through ongoing practices. Following improvements, 27 previously underperforming Party organizations now meet established standards. 265 individuals and 65 grassroots organizations earned recognition among the National Outstanding CPC Members, National Outstanding Party Affairs Workers, and National Advanced Grassroots Party Organizations.

Additionally, our Party organizations at all levels conducted collaborative theoretical learning and enhanced the political literacy of grassroots members via respective Party-building resources. The Bank facilitated trade union and team development through various Party-building activities. We joined hands to organize cultural and sports competitions, knowledge contests, and volunteer services to strengthen communication and collaboration. Utilizing partner service outlets and online service platforms, we offered collaborative services that effectively promoted resource integration and enhanced advantages, ultimately delivering high-quality services to employees and the public while significantly improving our corporate brand. The collaborative Party-building agreements signed between different levels of Party organizations established a sustained cooperative mechanism to strengthen and expand collaboration and leverage distinct resources for mutual growth.

In 2024



our new loans in Anhui exceeded RMB

1,16 billion, accounting for one-seventh of the province's total.



265 individuals **65** grassroots organizations earned recognition among the National Outstanding CPC Members, National Outstanding Party Affairs Workers, and National Advanced Grassroots Party Organizations.



【Case: Chengdu Branch Offered Volunteer Services to the Chengdu 2021 FISU World University Games】

In 2024, following the Chengdu Branch's participation in volunteer services for the Chengdu 2021 FISU World University Games, the Party Committee of the Chengdu Branch established a long-term strategic partnership with the Chengdu Hi-Tech Industrial Development Zone Volunteer. Through this

association, it fostered collaborative Party building and cooperation with the Party organizations of six state-owned enterprises, including the Southwest Branch of China Construction Eighth Engineering Division Corp., Ltd. Northwest Company and the China Three Gorges Corporation (CTG) Migration Office. These efforts successfully led to business opportunities in deposits, wealth management, and precious metals.



【Case: Huainan Branch Party Committee Conducted Party Discipline Education and Knowledge Competition】

The Party Committee of the Huainan Branch is committed to creating a new framework centered on resource sharing, two-way services, mutually beneficial outcomes, and common progress at the grassroots level, to write a new chapter in the high-quality development of the Huainan Branch. In 2024, to explore a new model of collaborative learning and joint Party building, the Party Committee of the Huainan Branch worked with the Party Group of the Huainan Housing Provident Fund Management Center to organize a party discipline education and knowledge competition. Six teams from both sides actively participated in the competition by answering questions. The audience gave an enthusiastic response and created a warm atmosphere. This competition is designed based on collaborative and collective Party building. It aims to leverage resources and professional strength, deepen communication and cooperation with external entities, enrich organization activities, and cultivate a more robust team of Party members.



Party Discipline Education and Knowledge Competition of Huainan Branch Party Committee

● Optimizing Operations Through Party Committee Inspection and Supervision

Guided by the Bank's Party Committee leadership and the Discipline Inspection and Supervision Teams in branches, Huishang Bank has deepened its political supervision, enhanced inspection rectification, and utilized results to ensure implementation and foster development via supervision.

In 2024, the Bank conducted two rounds of regular inspections. We initiated a mobile inspection in the credit sector to strengthen management in key areas, including credit approval, credit placement, and non-performing asset disposal. A total of 25 secondary units underwent special inspections, ensuring compliance with the Party Committee's work arrangements and requirements. Moreover, we issued the Several Measures on Strengthening the Inspection, Rectification, and Achievement Application of Huishang Bank Party Committee and the Implementation Measures for Huishang Bank Party Committee on Inspection, Rectification, Check, and Evaluation (Trial) to optimize the inspection and evaluation processes.



【Case: Party Committee Inspection Team Inspected and Supervised Chizhou Branch】

From April 1 to 30, 2024, the Third Inspection Team of Huishang Bank's Party Committee conducted a thorough inspection of the Chizhou Branch's Party Committee. This inspection focused on 'four implementations' and identified a total of 31 issues.

This round of inspection provided a comprehensive, objective, and accurate assessment of shortcomings in four key areas, including the inadequate implementation of major decisions from the CPC Central Committee and the Bank's Party Committee, as well as insufficient efforts in enforcing comprehensive and strict Party governance. The findings helped the Branch Party Committee identify key directions and areas for improvement, promoted better execution of CPC Central Committee decisions, and enhanced the loyalty and accountability of leaders across the Chizhou Branch. The inspection also improved work quality and operational capability, driving high-quality development within the Branch. By leveraging this round of inspection and rectification, the Chizhou Branch addressed issues related to prioritizing high-quality development and made great progress. It experienced a significant rise in its 1,000-point performance ranking from last place in 2023 to sixth place in 2024.



Enhancing United Front Work

Huishang Bank is committed to implementing the directives and requirements of the CPC Central Committee and the CPC Anhui Provincial Committee regarding united front work. The Bank will continuously improve the scientific, standardized, and institutionalized aspects of united front work. In 2024, the Bank made strides in our united front work and became the only provincial financial enterprise to receive the Provincial United Front Work Practical Innovation Achievement Award and the Provincial 'Double Establishment and Double Contributions' Activity Excellent Organization Award. Our united front work has been recognized by the province for four consecutive years.

Strengthen political guidance and keep consolidating the common ideological and political foundation for unity and better goals

- Huishang Bank issued the annual work highlights of the Bank Party Committee's United Front Work Leading Group. The Bank convened **4** sessions of activities to convey and study relevant meeting documents and develop strategies for united front work.
- We organized special events under the theme of Realizing Dreams Together. Our secondary units held hundreds of lectures and symposia at various levels and dimensions, reaching over **2,700** non-Party intellectuals.
- Additionally, we established a mechanism to encourage united front members to attend the Party Committee Theoretical Study Center Group meetings regularly and implemented the 'Three Meetings and One Lecture' Party branch framework to enhance theoretical understanding.

Strengthen team building and improve the talent exchange and training mechanism for non-party cadres

- In 2024, Huishang Bank actively promoted the 'Double Establishment and Double Contributions' initiative for non-Party intellectuals, recognizing **116** advanced collectives, outstanding individuals, and notable cases.
- We deepened the development of the Huishang Bank Intellectual Association, contributed to the establishment of the Expert Pool Supported by Non-Party Intellectuals to Help Develop New Quality Productive Forces in the Yangtze River Delta, and took active measures to develop United Front Home.
- Moreover, we created a talent pool for non-Party cadres, implemented precise management for their archives, and built a multi-dimensional education and training system for non-Party cadres. By leveraging our offline Hui Series training programs and online Huiyin School platform, we continuously enhanced the knowledge base of non-Party cadres. In 2024, nearly **40** non-Party cadres at all levels within our Head Office and branches were newly promoted and a total of **775** non-Party intellectuals achieved intermediate or senior professional titles.

Highlight financial features to support reform and innovation-driven development in Huishang Bank

- Huishang Bank actively encourages united front members to contribute to developing five key areas within our financial operations to promote the innovation and transformation of financial products and services.
- We initiated a practice campaign under the theme of 'I Offer a Plan for High-Quality Development', focusing on digital transformation, financial risk prevention, and cost reduction and efficiency enhancement. We established a non-Party intellectual research group that conducted **94** in-depth investigations and released **78** research reports.
- In addition, we participated in various volunteer activities, including anti-telecommunications fraud lectures in schools and communities, visits during the Double Ninth Festival, establishment of the Huiyin Youth Home, Spring Bud Financial Assistance Scheme for Students, and financial services for rural areas, while supporting the establishment of **42** 'Leading Party Building Credit Village' demonstration sites.



【Case: Huishang Bank Ma'anshan Branch Organized Huiyin Youth Home Volunteer Service Activities】

On September 11, 2024, the Communist Youth League Committee of Huishang Bank's Ma'anshan Branch partnered with the Municipal Committee of the Communist Youth League and Ma'anshan Yushan Experimental School for the 'Our Festival Mid-Autumn Festival' volunteer service event under Huiyin Youth Home. Participants included representatives from the Department of Youth Development and Rights Protection of the Municipal Committee of the Communist Youth League, the Communist Youth League Committee of Ma'anshan Yushan Experimental School, and the Communist Youth League Committee of Ma'anshan Branch, and over 40 students. Volunteers from branch employees gave a public welfare class under the theme of Little Bankers to teach students how to identify counterfeit RMB. They also provided education on national defense, covering national security, national defense construction, national defense knowledge, and national defense skills. The goal was to foster a sense of patriotism and strengthen the students' identity and belonging to their country, helping maintain national security and stability.



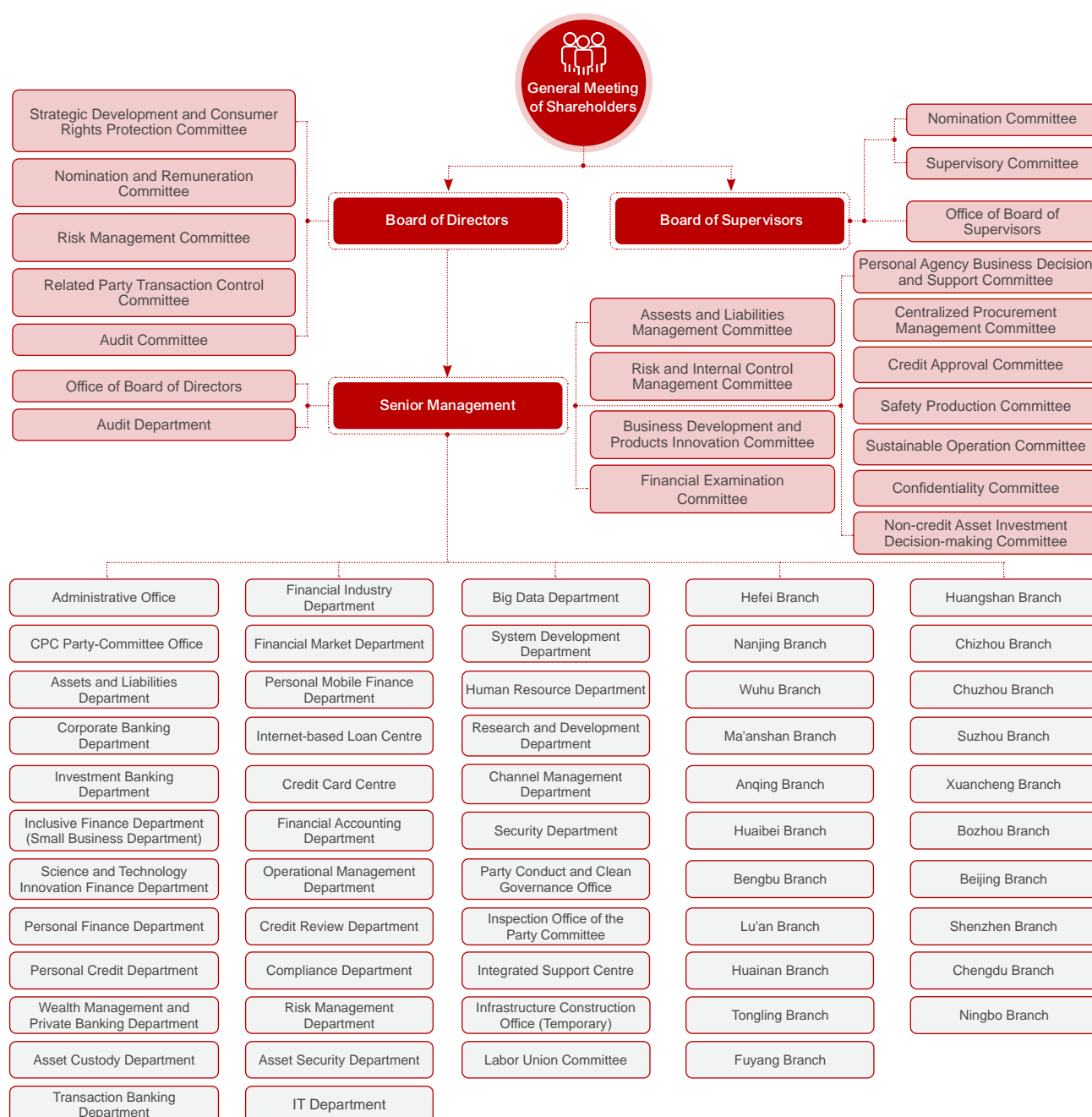
Improving Corporate Governance

Huishang Bank strictly abides by the regulatory requirements of the capital market and financial industry. The Bank continues to explore modern corporate governance practices and improve corporate governance efficiency by establishing and improving the corporate governance structure, optimizing information disclosure methods, and unblocking investor communication channels.

Governance Structure

Huishang Bank has established a corporate governance structure encompassing the General Meeting of Shareholders, the Board, the Board of Supervisors, and Senior Management. This framework clearly outlines their responsibilities, ensuring smooth, independent operations and balanced supervision, and fosters systematic, scientific, and effective decision-making and execution of significant matters in the Bank's daily operations.

Organization Framework of Huishang Bank by 2024





Authority—General Meeting of Shareholders

In 2024, Huishang Bank convened **1** General Meeting of Shareholders, during which **14** proposals were reviewed and approved.



Decision-Making Organ—Board

The Board is committed to maintaining independence and fairness in decision-making processes. In 2024, the Board had **15** members, including **2** executive directors, **7** non-executive directors, and 6 independent non-executive directors—over one-third of the Board total. Throughout the year, the Board held **10** meetings and reviewed **73** proposals. It convened **27** times of Special Committee to review 114 proposals.

The Board promotes diversity in professional expertise and gender equality. In 2024, there were **2** female directors. The expertise of directors on the Board covers management, economics, finance, and financial affairs and their experience involves government, enterprises, academia, and think tanks.



Supervisory Organ—Board of Supervisors

The Board of Supervisors at Huishang Bank comprises **8** members, including **3** employee supervisors, **2** shareholder supervisors, and **3** external supervisors. In 2024, **7** Board of Supervisors meetings and **9** Board of Supervisors special committee meetings were organized onsite or via signing meetings to review **37** proposals, including annual reports, profit distribution plans, and performance evaluation reports, along with **44** reports related to comprehensive business plans, capital replenishment plans, and guidelines on risk management policies.



Executive Organ—Senior Management

The Senior Management team at Huishang Bank consists of the President, Vice President, and senior managers designated by regulatory authorities. They are responsible for implementing the Board's resolutions, managing the Bank's daily operations, reporting regularly to the Board, and being subject to supervision from the Board of Supervisors.

ESG Responsibility and Supervision

Huishang Bank places great importance on the guidance and supervision roles of the Board and the Board of Supervisors in the Environmental, Social, and Governance (ESG) efforts. We organize regular training sessions on ESG-related topics for directors every year to deepen their understanding of ESG governance and enhance our ESG management capabilities. In 2024, the Sixtieth Meeting of the Fourth Board reviewed and approved *Huishang Bank 2023 Social Responsibility Report*. The meeting also included presentations such as the *Huishang Bank 2023 Green Credit Development Work Report*. These efforts improved our ESG management levels and performance.

Information Disclosure/Investor Communication

In compliance with market supervision regulations and information disclosure laws, Huishang Bank conducted information disclosure in 2024 by releasing the *2023 Annual Report* and the *2024 Interim Report* accurately, truthfully, and on time. We also reinforced our communication with external investors through multiple channels, including the 'Investor Relations' section on our official website, our official contact number, and email. Our commitment to compliance and transparency of internal governance safeguards our investors' right to information and boosts their investment confidence in the Bank.

Observing Business Ethics

Huishang Bank is dedicated to upholding business ethics in all operations. We firmly reject any illegal or improper activities, including telecommunications fraud, money laundering, illegal transactions, and corruption. Our focus is on building a local commercial bank characterized by compliance, integrity, transparency, and honesty.

Anti-Telecommunications Fraud

In 2024, Huishang Bank implemented the *Anti-Telecom and Online Fraud Law of the People's Republic of China* and collaborated with various partners to enhance the monitoring of accounts suspected of involvement in gambling and fraud while intercepting the funds. We conducted internal and external educational campaigns and publicity focused on anti-fraud awareness, significantly improving the efficiency of our anti-telecommunications fraud governance.



To strengthen supervision and management

Huishang Bank has refined the classification and grading of settlement accounts and established a real-time monitoring system for suspicious accounts. We have actively carried out protective stop-payment procedures for customers and enhanced the anti-telecommunications fraud management accountability at all organizations. Moreover, we have improved the capital governance and prevention system involving gambling and fraud. In 2024, Huishang Bank successfully intercepted **89** fraud cases, reducing the proportion of implicated accounts in the province by **4.15** percentage points since the beginning of the year. The number of accounts associated with gambling and fraud was lower than that of our industry peers. We also froze and stopped payment for over **390,000** accounts to protect potential victims, safeguarding our customers' funds.



To support publicity and education

In 2024, Huishang Bank partnered with regulatory authorities to carry out a special monthly publicity event—National Anti-Fraud Action for combating telecommunications and online fraud in Anhui Province. The Bank collected anti-telecommunications fraud publicity short videos and typical cases for intercepting capital used in cross-border gambling and also organized publicity activities under the theme of the Anti-Fraud and Gambling Campus Tour. Furthermore, the Bank carried out a range of anti-telecommunications and online fraud publicity activities based on the actual anti-fraud efforts. We organized offline anti-telecommunications fraud training for branches via internal training programs for front-line employees and on-site training sessions. We used online platforms to reach over **4,000** employees through training activities. Moreover, we established a dedicated section on our intranet for information on the capital related to gambling and fraud management, covering **49** updates, case studies, and anti-fraud practices in **376** articles. By doing so, we provided employees with a platform to learn anti-fraud knowledge and improve anti-fraud skills. Additionally, we organized over **900** publicity activities in banking halls and outdoor spaces, engaging more than **89,000** participants. We also designed outdoor posters and display boards for these activities while distributing over **50,000** leaflets and gifts. Besides, we released over **50** media materials such as articles posted on our WeChat official account and short videos, along with **4** times of media coverage.



Huishang Bank's Anti-Telecommunications Fraud
Publicity Activities



Anti-Money Laundering

In 2024, Huishang Bank revised key internal anti-money laundering policies, including the Management Measures of Huishang Bank on Combating Money Laundering and Terrorism Financing, the Management Measures of Huishang Bank on Customer Due Diligence and Customer Identity Information and Transaction Record Preservation, the Regulations of Huishang Bank on Customer Money Laundering Risk Classification Management, and the Large Transaction and Suspicious Transaction Report Procedures of Huishang Bank. These updates were issued to all branches and ensured alignment with national laws, regulations, and our operational needs. We are committed to reinforcing our anti-money laundering efforts.

Huishang Bank optimizes job responsibilities and clarifies departmental tasks >>

We move risk prevention measures to the front line, shifting the responsibility of classifying customer money laundering risks from the previous compliance department to the customer management department. The latter will handle the classification based on its authority levels.



Huishang Bank carries out risk assessments and strengthens transaction monitoring >>

We have actively established a self-assessment information system for money laundering risks, strengthened monitoring and analysis of suspicious transactions, and continued to improve the analysis capability of suspicious cases from two aspects: model optimization and talent training. As a result, in 2024, we submitted **57** high-quality reports on suspicious transactions. Many transaction cases were filed or solved. These reports provided clues and supported public security, tax, and Customs authorities in ten investigations, as well as one anti-money laundering administrative investigation initiated by the Anhui Branch of the People's Bank of China. We also followed up on previously reported suspicious cases and assisted the public security organ in resolving two cases.



Huishang Bank conducts in-depth themed research and expands publicity and training >>

We promote ongoing theoretical research on anti-money laundering throughout the Bank. In 2024, the *Research and Practice on the Effectiveness of Searching for Suspicious Transaction Groups Based on Composite Network Models*, a research article on exploring anti-money laundering models authored by the Bank was published in *Anti-Money Laundering Research*. Another theoretical achievement, the *Study on Money Laundering Risks and Control Strategies of Internet Ledger Business of Commercial Banks* was included in the *Anhui Anti-Money Laundering Research Special Report* initiated by the Anhui Branch of the People's Bank of China. In addition, we formulated and issued the *Themed Activity Work Plan for Anti-Money Laundering Culture Year of Huishang Bank*. We provided online training for all employees and conducted two tests. Experts from the head office of the People's Bank of China were invited to give anti-money laundering policy interpretation sessions, drawing **40** participants. **3** online practical anti-money laundering training sessions were held and attended by **8,448** employees. Additionally, we designed and released six anti-money laundering promotional screensavers for computers on intranets and extranets and created three videos explaining anti-money laundering culture. Our collaborative publicity activity, 'Anti-Money Laundering +', held at Anhui Anti-Money Laundering Publicity and Education Base in the branch located on the Yungu Road was recognized by regulatory authorities.



Huishang Bank Anti-Money Laundering System
Money Laundering Risk Rating Operation Training



Huishang Bank strengthens incentive-based constraints and implements result-driven assessments >>

We have implemented annual selections for outstanding anti-money laundering teams, best practices, and individuals excelling in suspicious case analysis and rewarded exemplary anti-money laundering performance. In 2024, we conducted on-site inspections of **6** branches and performed off-site monitoring and quarterly reporting on anti-money laundering obligations, effectively applying assessment outcomes.



Anti-Corruption

Huishang Bank strictly abides by the Criminal Law of the People's Republic of China, the Interim Provisions on Prohibition of Commercial Bribery, and other relevant laws and regulations. We are firmly committed to punishing corruption and promoting a transparent, honest, and positive corporate culture.

Huishang Bank improves the organizational structure for corruption governance

We have established a leading group for the Party Conduct and Clean Governance Responsibility System in Huishang Bank while formulating and issuing the *Implementation Rules for the Party Conduct and Clean Governance Responsibility System in Huishang Bank*. Our efforts also include improving the working mechanism of the directly affiliated discipline inspection committee, formulating the *Procedure Rules for the Directly Affiliated CPC Discipline Inspection Committee of Huishang Bank (Trial)*, and selecting qualified members for the directly affiliated discipline inspection committee.



Huishang Bank focuses on key areas to fight corruption

The Bank strengthens anti-corruption audit supervision and organizes special audit projects for expense management. We reinforce daily supervision and offer regular integrity guidelines. To be specific, we formulated a comprehensive supervision and inspection plan for 2024 Party conduct and clean governance in the Bank, conducted on-site and off-site inspections on the potential 'Four Malfeasances' problem of **13** secondary units, and adhered to the principle of simultaneous investigation and treatment of the problem and corruption, followed by correction and rectification. The "Incorruptible Huishang Bank" supervision platform was launched to empower discipline inspection and supervision work with technology and improve the efficiency of anti-corruption supervision. We organized training activities for discipline inspection and supervision teams to improve the performance of discipline inspection cadres in rectifying work style, strengthening discipline, and combating corruption. In 2024, the Party Branch of the Discipline Inspection and Supervision Team held ten training sessions via centralized learning (expanded) meetings, with the participation of over **900** relevant individuals. During the reporting period, Huishang Bank had a total of **3** corruption cases related to legal investigation and **1** litigation case was concluded.



Huishang Bank offers diverse publicity and education activities for enhancing integrity and self-discipline culture

We issued the *2024 Party Conduct and Integrity Education Plan of Huishang Bank*, built a Party Conduct and Integrity Education Hall, held anti-corruption knowledge competitions, compiled and published *Case Study—Selected Warning and Education Cases of Huishang Bank (IV) (V)*, a series of pocketbooks, and organized activities of special warning and education cases to help people keep anti-corruption awareness deep in mind.

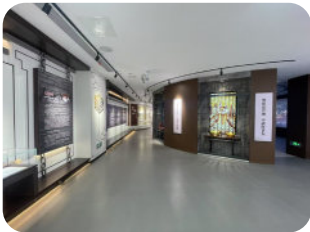


Indicator	Data in 2024	Unit
Number of employees trained in anti-corruption training	3,196	Number of persons
Number of anti-corruption training sessions provided for employees	5	Number of training sessions
Number of anti-corruption training sessions provided for the Board	1	Number of training sessions



【Case: Huishang Bank Established a Party Conduct and Integrity Education Hall】

On December 9, 2024, Huishang Bank officially unveiled its Party Conduct and Integrity Education Hall. The Education Hall integrates education on positive ideals, Party spirit, and Party conduct, as well as warnings about negative cases. It systematically showcases the development of ancient Chinese clean government culture, highlights the achievements of the Communist Party of China in fighting corruption and promoting integrity, and presents the outcomes of Huishang Bank's efforts in enhancing Party conduct. The Education Hall also features audio-visual materials related to disciplinary and illegal cases at Huishang Bank, effectively educating visitors through relevant examples.



As of the end of 2024

Drawing on the practices of provincial Party conduct and integrity education bases, the Education Hall employs cutting-edge audio-visual technology, including virtual reality and simulated environments, to provide an immersive educational experience for employees and cadres. These efforts have enhanced their sense of participation and experience. As of the end of 2024, the Education Hall hosted six visits, attracting over 300 visitors.

the Education Hall hosted

6 visits

attracting over

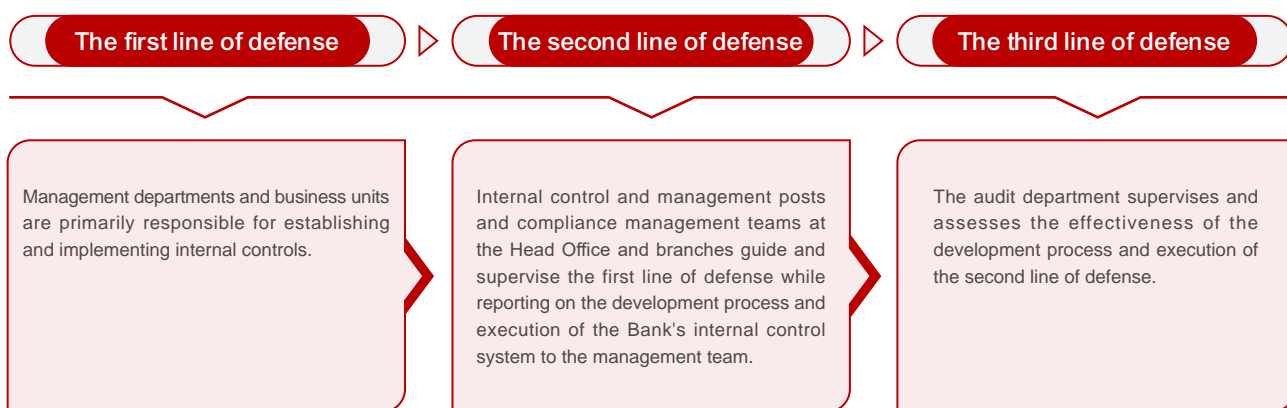
300 visitors

Strengthening Internal Control and Compliance

In 2024, Huishang Bank prioritized service transformation and upgrading. We highlighted compliance capability enhancement to improve the quality and efficiency of compliance services. The focus remained on optimizing the internal control and compliance management system, fostering a culture of compliance, and contributing to the Bank's high-quality development with compliance efforts.

Building an Internal Control and Compliance System

Huishang Bank adheres to regulatory requirements and internal control principles as outlined in the *Guidelines for Internal Control of Commercial Banks*. We have established a three-tiered defense system for our internal control and compliance risk management, covering branch governance, business linear management, and process operation.



Enhancing Internal Control and Compliance Management

Huishang Bank consolidates the foundation of internal control and compliance management

In 2024, we optimized our internal control rules and regulations by updating several key measures, including the *Management Measures of Huishang Bank on Risk Prevention and Control in Criminal Cases*, the *Management Measures of Huishang Bank on Criminal Cases*, and the *Management Measures of Huishang Bank on Addressing Employee Misconduct*. We developed a catalog of effective systems, clarified responsibilities, ensured accountability, and conducted post-system evaluations. Additionally, we refined our internal control and balance indicator system. During the reporting period, we identified **11** business lines, **45** business types, and **10,146** internal control and balance indicators. We also linked these business types to relevant products, internal policies, and external regulations, identifying responsible departments and management departments for balance indicators and solidifying the responsibilities of various departments within the internal compliance system to enhance the applicability and functionality of indicators.

Huishang Bank takes special actions to bolster compliance capabilities

Through an approach encompassing learning, assessment, investigation, treatment, improvement, evaluation, and application, we completed 50 specific tasks aimed at enhancing compliance operations in the Bank. We formulated the *Huishang Bank Compliance Manual*, the *Typical Case Study Manual*, and the *List of Employee Prohibited Conduct*. Additionally, we organized online compliance knowledge assessments for **12,573** participants and published nine action reports, five compliance newsletters, and **12** legal updates. We also conducted in-depth research on nine regulatory opinions, talks, and assessment documents, performed eight risk investigations in key business areas, executed effective problem rectifications, and improved 159 relevant business rules and regulations.

Huishang Bank is advancing the digital and intelligent transformation of internal control and compliance management

We are promoting a new-generation internal control and compliance framework and continuously enhancing functional modules, including system management and contract legal reviews. Our efforts also aim to refine the effectiveness of the anti-money laundering system by optimizing suspicious activity monitoring models. We introduced 50 new online adjustments and rules and enriched our self-developed model system. Technology plays a crucial role in managing related-party transactions. We have optimized functions for reminding new credits and expiration for related parties. Additionally, we have enhanced the employee monitoring system for misconduct by expanding data sources and improving the overall level of digital intelligence.

Promoting Internal Control and Compliance Culture

Huishang Bank is committed to fostering a culture of compliance through various training and awareness initiatives. We strive to broaden publicity influence and enhance training efforts by organizing special training sessions, knowledge competitions, and policy interpretations. These initiatives are designed to embed the values of strict internal control and legal compliance within our workforce. In 2024, Huishang Bank conducted 31 compliance training sessions, reaching 11,842 participants.

In 2024,



Huishang Bank conducted

reaching

31

compliance training sessions

11,842

participants

Activity theme	Activity method/scope/number of participants
Special Training on Internal Control and Compliance Management	Training sessions were held in Anqing, Bozhou, Chizhou, Chuzhou, Hefei, Fuyang, Huaibei, Huangshan, Lu'an, Ma'anshan, and Xuancheng Branches, drawing about 1,000 participants.
Education and Training on Internal Control and Compliance and Warning Cases for Branches Outside Anhui	Training sessions were held in Beijing, Chengdu, Nanjing, and Shenzhen Branches for internal control and compliance management, drawing about 200 participants.
Training on Case-Based Prevention and Control Knowledge	Focusing on the principle of practicing strict economy, we organized online training sessions, drawing about 300 participants.
Training on Employee Behavior Management Knowledge	
Training on Related-Party Transaction Management Policies	Focusing on the principle of practicing strict economy, we organized online training sessions, drawing about 354 participants.
Special Training on Legal Risks	Training sessions were held in Ningbo, Hefei, Shenzhen, Fuyang, and Xuancheng Branches, drawing about 1,000 participants.
Training on Post-Evaluation and Management of Rules and Regulations	Training sessions were held in Ningbo, Xuancheng, Fuyang, and Shenzhen Branches, drawing about 200 participants.
Training on Formulation, Review, and Management of Rules and Regulations	
Huishang Bank President Authorization Management Training	



Internal Control and Compliance Management Training of Hefei Branch in 2024

Comprehensive Risk Management

In 2024, Huishang Bank focused on enhancing our risk management framework guided by 'one goal and two major measures'. We promoted a process-oriented and systematic approach to risk management that aligns with our business operations. By doing so, we strengthened the identification and monitoring of environmental risks, improved our digital risk control capabilities, and fully supported the modernization process of our risk management practices.

Establishing a Coordinated Risk Management Framework



In terms of the organizational structure

Huishang Bank has established a collaborative risk management structure that spans our Head Office, branches, and sub-branches, covering all operational aspects—front, middle, and back. Our vertical supervision and management approach involves the following tier: from the Board to the Board Risk Management Committee, Senior Management (Head Office Risk and Internal Control Management Committee), the Head Office Risk Management Department, the Branch Risk Management Department, and Sub-branch Business Departments. Horizontally, we adhere to corporate governance principles by implementing the Three Lines of Defense in our risk management framework, which includes business lines, risk compliance departments, and internal audit departments. This structure emphasizes an inclusive, comprehensive, and professional approach to risk management.



In terms of the segregation of duties

To better align with and facilitate our digital transformation in risk control, we clarified roles within our risk management teams. In 2024, the Head Office Risk Management Department led the development, upgrading, and maintenance of the credit risk management system. Additionally, the operational risk management team in this department was responsible for establishing the objectives and requirements for the credit risk management system, organizing the development of relevant management protocols and operational procedures, overseeing and reviewing the quality of credit information, and ensuring the stable, safe, and efficient functioning of the credit risk management system.

Improving the Comprehensive Risk Management Mechanism

In 2024, Huishang Bank established a comprehensive risk management mechanism that encompasses the entire life cycle across nine key sectors: risk policy, risk coordination, risk monitoring, risk warning, risk investigation, risk reporting, risk assessment, risk disposal, and risk accountability. We are committed to implementing the *2024 Task List for the Comprehensive Risk Management Improvement Project*. Our efforts include setting up both on-site and off-site inspection systems, developing a specialized risk early warning management platform, facilitating risk investigations across various dimensions, including industries, regions, products, and customers, and implementing corresponding evaluation mechanisms. We have established a risk matrix that assesses different risk factors. We also produce standardized risk management reports regularly and assign employees to supervise and rectify any identified vulnerabilities, thereby creating a closed-loop risk management system throughout the Bank. These measures collectively enhance the operational efficiency and quality of our risk management mechanism.





Advancing Environmental Risk Identification and Management

In 2024, Huishang Bank emphasized the significance of environmental risk identification and control within our financial operations, as outlined in the *Statement on Risk Preference 2024*, *Guiding Opinions on Risk Management Policies 2024*, and *Credit Granting Policy 2024*. We are committed to enriching our risk management system while pursuing sustainability.

Huishang Bank guides the entire organization in establishing an environmental risk management system

We focus on investigating and assessing the environmental risks associated with customers and projects throughout all stages of the credit business process. Strict compliance with environmental risk regulations is enforced, including a one-vote veto system for enterprises and projects that violate national environmental protection laws.

Huishang Bank strengthens environmental risk control in business processes

We actively support the financing needs of new green industries while also assisting traditional sectors in their green transformation and upgrading. We prioritize managing, reducing, or stopping support to customers or businesses with high environmental risks, particularly those characterized by high pollution, high emissions, excess capacity, and outdated capacity. We accelerate the exit from funding enterprises or projects that involve polluting practices and outdated production. We are cautious about financing new enterprises or projects that have recently faced serious environmental incidents or present significant environmental risks. These actions aim to effectively mitigate environmental risks.

Huishang Bank executes environmentally friendly and low-carbon-oriented green credit policies

We align with the 'dual carbon goals of the central government by increasing support for green, low-carbon, and circular economies and directing credit funds toward resource-saving technological development and ecological protection industries. We encourage enterprises to prioritize green and sustainable practices in their operations while promoting a green consumption concept among consumers. Our efforts aim to drive comprehensive green transformation in economic and social development and enhance our ESG performance.

Strengthening Intellectual Property Protection and Risk Management

Huishang Bank strictly adheres to the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and other relevant regulations. We have formulated and implemented the *Interim Measures for Intellectual Property Management in Huishang Bank*, clearly defining the Bank's ownership of intellectual property rights. We encourage financial innovation and enhance awareness of intellectual property protection among all employees, continuously improving our intellectual property management capabilities. This year, we secured two new patents. By the end of 2024, the Bank held 85 valid registered trademarks in China and 7 valid registered trademarks internationally, in addition to obtaining 68 software copyrights.



we secured

2

new patents in this year



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7

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By the end of 2024



02

Innovation Development



Serving the Real Economy and
Stimulating Innovation Vitality

2024 was a critical year for taking comprehensive action to support the "14th Five-Year Plan". Huishang Bank prioritizes the mission of serving the real economy. We focus on Anhui's overall development and highlight rural revitalization, green finance, urban renewal, emerging industries, and specialized, high-end, and innovation-driven fields. Our goal is to strengthen regional economic support, empower emerging industry clusters, and facilitate in-depth breakthroughs in industrial transformation. Based on the overall development of Anhui and Jianghuai region, the Bank has always coexisted and prospered with the real economy. We unblock the economic bloodline with precise financing, adapt to transformation needs with diversified products, fully support the establishment of the Three Places and One Zone, and inject financial momentum into the Anhui progress of Chinese modernization.



Supporting Regional Economy

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Empowering Emerging Industries

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Promoting Transformation and Development

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Empowering Rural Revitalization

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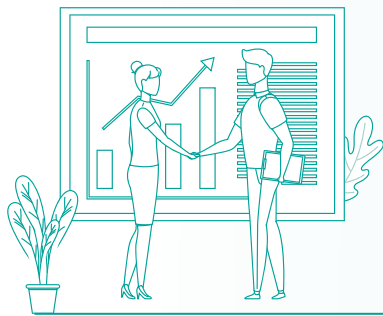
Benefiting People's Well-Being

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Supporting Regional Economy

Making the most of financial services for regional economy, Huishang Bank has set up outlets in four major economic circles: Yangtze River Delta (Anhui, Nanjing, and Ningbo), Bohai Economic Rim (Beijing), Guangdong-Hong Kong-Macao Greater Bay Area (Shenzhen), and Chengdu-Chongqing Economic Circle (Chengdu). We accurately meet the strategic development needs of regions and actively promote the realization of a new pattern of regional coordinated development with the same goals, complementary advantages, and mutual benefit.

Huishang Bank follows the policy development trend, fully supports Anhui Province's major economic development strategies, deepens government-bank cooperation mechanisms, optimizes the supply of comprehensive financial services, and continuously gives financial impetus to Anhui's high-quality economic development.



As the only financial institution member of the Steering Committee of the Yangtze River Delta Overseas Innovation Center of the Western Returned Scholars Association, Huishang Bank has provided RMB **25** million in on- and off-balance sheet financing to **6** overseas innovation companies in the province, helping returned overseas students' innovation and entrepreneurship to resonate with local industrial upgrading.

Supporting the Coordinated Growth of the Yangtze River Delta

Issuing the Specialized Support Plan for Huishang Bank's Corporate Asset Business

Huishang Bank closely follows the list of major projects and new projects and key investment promotion enterprises of Anhui Provincial Development and Reform Commission in 2024, increases information cooperation with Anhui Province's project financing docking service platform, and actively responds to local development strategies such as key project construction plans in various regions.

Increasing infrastructure loans

By the end of 2024, Huishang Bank had a balance of RMB 245.5 billion in infrastructure loans, including support for transportation infrastructure construction, regional connectivity, and active integration into the integrated development of the Yangtze River Delta. The Bank offered over RMB 30 billion to large infrastructure, covering highways, railways, and docks in Anhui Province.

Assisting in the construction of supporting facilities in industrial parks and improving the business environment

Huishang Bank offered over RMB 26 billion to industrial parks, including RMB 7.7 billion in loans for improving infrastructure in industrial parks established by the Bank under the cooperation with the Anhui Provincial Development and Reform Commission.

Strengthening support for key projects and main customers in emerging industries

Huishang Bank increased credit resources to emerging industries. The Bank mainly supported projects related to Hefei Visionox's 6th Generation Flexible Display Devices, Nexchip Integrated Circuit 12-inch Wafer Manufacturing Plant II, and Wuhu Lunbi Bearing High-speed Railway EMU and Urban Rail Train Key Bearing Localization Phase I. As of the end of 2024, Huishang Bank supported a loan balance of RMB 122.1 billion for strategic emerging enterprises in the Yangtze River Delta region, reflecting an increase of RMB 18.98 billion from the end of the previous year.



【Case: Huishang Bank Actively Conducted Municipal Platform Cooperation】

Huishang Bank actively promoted cooperation with municipal platforms. The Bank released 'My Nanjing' project to offer a loan of RMB 58 million as well as 'Tianfutong' project, and promotes cooperation with 'Wanshitong' application to achieve large-scale customer acquisition within the province.

Forming the Regional Financial Ecosystem



Building a standardized pricing benchmark

Huishang Bank works with Shanghai Clearing House to compile and release the Shanghai Clearing House Huishang Bank Anhui Province 0-5 Years Local Government Debt Index and Anhui Province Non-Financial Enterprise Credit Bond Index, attracting the Provincial Development and Reform Commission, over 20 key state-owned enterprises, and more than 40 financial institutions to participate through public press conferences. These indexes provide market investors with a transparent pricing basis, enhance the unique features and allocation attractiveness of regional assets in Anhui, and promote the orderly flow of non-governmental capital to the real economy in Anhui.



Deepening the liquidity guarantee mechanism

Huishang Bank adheres to the original principle that city commercial banks serve the regional economy. The Bank continuously improves Anhui's regional bond market-making and quotation services and enhances bond liquidity, enriches Anhui's local debt quotations, and achieves full coverage of various products, with the aim to offer a stable market environment to local fiscal sustainability and corporate diversified financing.

Driving Consumption Upgrading and People's Livelihood

Continuous introducing and releasing government consumption vouchers

In 2024, Huishang Bank's mobile banking successively released 43 rounds of inclusive, home appliance, catering, automobile and housing government consumption vouchers in three urban areas and 19 districts and counties where ten branches are located, including Chuzhou, Ma'anshan, Tongling, Fuyang, Lu'an, Bozhou, Anqing, Hefei, Huangshan, and Huaibei, to support regional economic development.

Huishang Bank actively implements the relevant requirements outlined in the CPC Anhui Provincial Committee's Implementation Plan for Promoting Consumer Goods Trade-in Program in Anhui Province and helps the province's consumer market enhance quality and expand capacity. The Bank focuses on consumption upgrading related to automobiles, home appliances, and home decoration, carries out special marketing of trade-in installments, and offers collaborative consumption support with government subsidies, so that cardholders can truly enjoy benefits and convenience. In 2024, Huishang Bank's credit card consumer credit reached RMB 12.46 billion, marking an increase of RMB 4.322 billion over the previous year.



Huishang Bank's credit card
consumer credit reached RMB
12.46 billion

marking an increase of RMB
4.322 billion over
the previous year

Supporting County-Level Cooperative Development

Optimizing county-level development mechanisms

The Huishang Bank 2024 Special Improvement Action Plan for the High-Quality Development of County Institutions was issued. Focusing on the ten major improvement actions, the Bank introduced 46 improvement and guarantee measures to clarify the implementation paths such as improving management mechanisms and upgrading product systems, drive resources to be allocated to counties, and help county-level institutions improve their market competitiveness.



Professional capability building projects

In response to the business development needs of county-level outlets, the Bank has conducted centralized training for county branch presidents to strengthen the deployment of personal business planning and execution capabilities.



Integrating Financial Vitality via Custodian Services

In 2024, Huishang Bank iterated and upgraded our 'Rongxintong' products, focusing on introducing external funds to meet the diversified financing needs of internal customers. We further leveraged the strength of offline outlets to reach customers through multiple channels, build a platform for fund asset information interaction and integration, provide customers with financial vitality, and promote the development of the real economy. As of the end of the year, 136 'Rongxintong' businesses were implemented, with a scale exceeding RMB 130 billion.



'Rongxintong' businesses

136 were implemented



with a scale exceeding RMB

130 billion

Empowering Emerging Industries

In 2024, to thoroughly implement the principles concluded in General Secretary Xi Jinping's report at the 20th CPC National Congress and his vital speech delivered during his visit to Anhui Province, as well as various decisions and arrangements made by the CPC Anhui Provincial Committee and the People's Government of Anhui Province on facilitating high-quality development, Huishang Bank focused on the major strategic plans for the "14th Five-Year Plan" period and the establishment of the Three Places and One Zone in Anhui Province to guide branches to increase credit supply to strategic emerging industries. The strategic emerging industry's loan balance reached RMB 126.16 billion throughout the year, reflecting a year-on-year growth rate of 17.89%. The loan balance of specialized, high-end, and innovation-driven enterprises was RMB 23.933 billion and served 2,788 relevant enterprises, with a loan balance increase of 24.93%. Based on the List of Enterprises in Anhui Province's New Energy Vehicle Industry Chain, we issued loans with a balance of RMB 22.875 billion to customers in the new energy vehicle industry and served 1,403 relevant enterprises in the province. The loan balance increased by 40.75%, accelerating the cultivation of new quality productive forces in core areas such as new energy, AI, and new materials.

By the end of 2024,



The strategic emerging industry's loan balance reached RMB **126.16** billion throughout the year



The loan balance of specialized, high-end, and innovation-driven enterprises was RMB **23.933** billion



we issued loans with a balance of RMB **22.875** billion to customers in the new energy vehicle industry

Huishang Bank issued the 2024 Manufacturing Industry and Strategic Emerging Industry Credit Customer Marketing Plan to support the implementation of plans for the strategic emerging industry and the specialized, high-end, and innovation-driven industry. We encouraged and supported high-tech enterprises, technology-based SMEs, specialized, high-end, and innovation-driven SMEs and 'little giant' enterprises, national technological innovation demonstration enterprises, manufacturing single champion enterprises, and other technology-based enterprises.



Taking the initiative to serve characteristic industries

Huishang Bank has established leading groups for the special promotion of the new energy vehicle industry cluster and science and technology finance at the Head Office. The Bank held several special meetings to study and arrange tasks for key industries such as science and technology finance and new energy vehicles. We issued the Huishang Bank Implementation Plan for New Energy Vehicle Industry Financial Services to continuously promote the development of Anhui's new energy vehicle industry.



Actively supporting the implementation of science and technology financial ecosystem in industrial parks

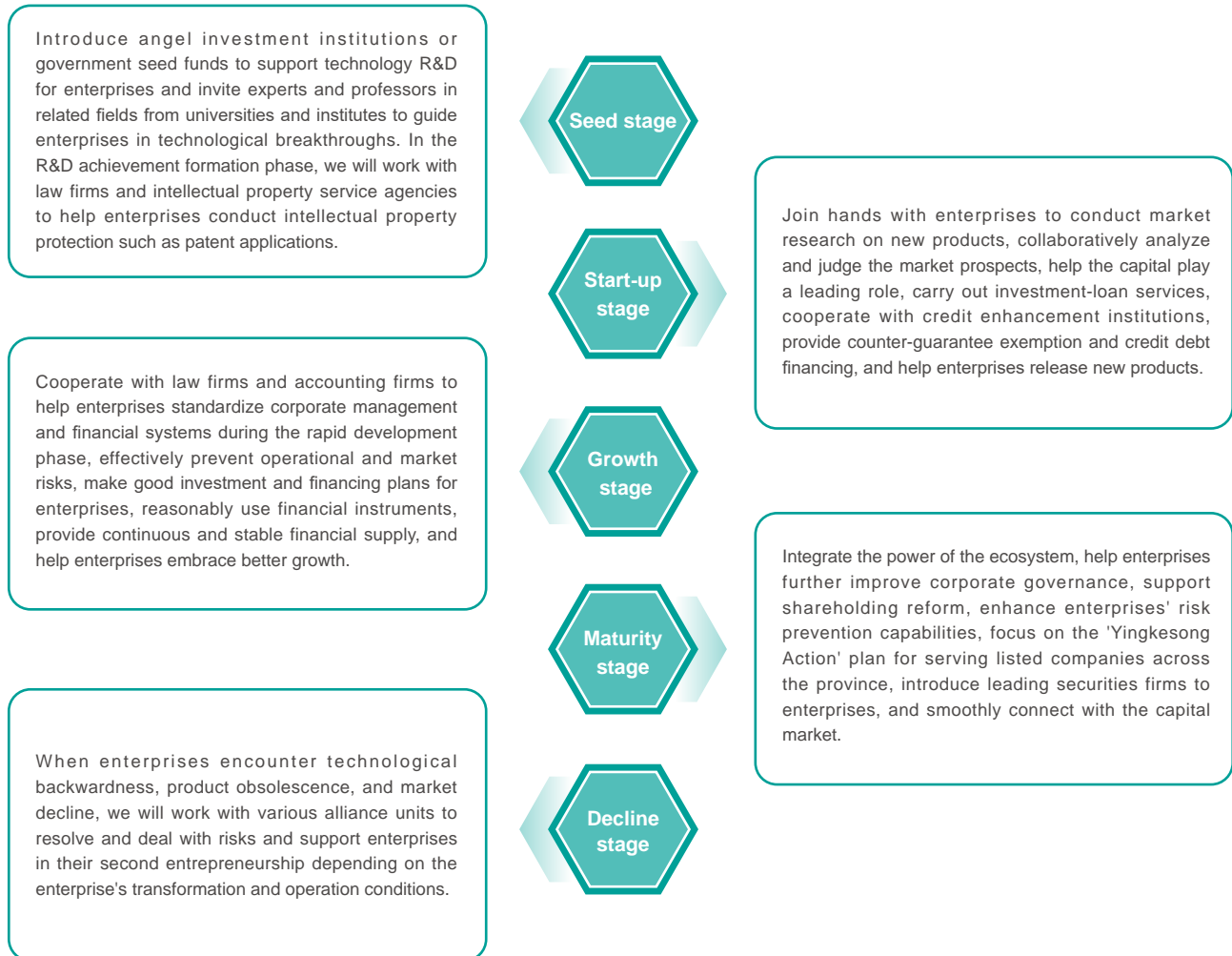
Based on improving the four major functional pillars of debt, equity, credit enhancement, and comprehensive support in the financial ecosystem, we actively sought to strengthen cooperation with leading institutions in related industries, integrate the resources of various institutions, and form a stable science and technology innovation financial service alliance. The Bank held over 70 activities throughout the year, reaching more than 3,500 customers. We increased the diversified financial services such as large-scale loan-investment linkage for technology-based enterprises, start-up loans, growth relay loans, and high-growth enterprise financing. We cooperated with investment institutions to serve nearly 400 technology-based enterprises through the large-scale loan-investment linkage, with a loan balance exceeding RMB 9 billion and the linked equity investment exceeding RMB 14 billion. Besides, we worked with guarantee institutions to serve over 2,000 technology-based enterprises, with a loan balance exceeding RMB 9 billion.



Unblocking the credit support channel for the Talent-R&D-Transformation Innovation-Driven Chain

The Technology Talent Loan supported 91 high-level applicants related to talent innovation and entrepreneurship, with a balance of RMB 649 million. The Technology R&D Loan assisted 484 applicants related to key core technology research, with a balance of RMB 3.146 billion. The Technology Achievement Transformation Loan empowered 35 applicants related to technology achievement transfer and industrialization, with a balance of RMB 252 million.

Building a Technology-Based Financial Ecosystem— Offering Comprehensive Services Throughout the Whole Process



Huishang Bank is Paving the Way for a New Track: Actively Participating in Strategic Emerging Industry Projects

- Anhui Province Hefei Automobile Forging Co., Ltd. Light Truck Front Axle Production Line Process Equipment Upgrading and Technical Transformation Project
- 350,000 t/a Recycled Low-Carbon Aluminum Heat Transfer Material Project for New Energy Application of Yinbang (Anhui) New Energy Materials Technology Co., Ltd. (Phase I)
- Green and Intelligent Copper-Based New Materials Project of Tongling Nonferrous Metals Group Co., Ltd.
- iFLYTEK AI R&D Production Base Project of iFLYTEK Co., Ltd. (Phase I)
- 38,000 t/a High-End Functional Polypropylene Film Project of Anhui Guofeng New Materials Co., Ltd.



【Case: Support for iFLYTEK Project】

The iFLYTEK AI R&D Production Base Project is a vital part of the 'One Core, Two Parks, and One Town' early plan within the Grand Union of Innovation (GUI). The project will accelerate the deep integration of AI technology with the economy and society, cultivate new momentum, and form an AI+ economic system with innovation as the main driving force and support. Moreover, the project aims to explore supporting facilities for the AI industry to help the innovation-based reform, attract industrial talent, and provide a production base model for the development of the AI industry economy.



【Case: Support for Anhui Guofeng High-End Functional Polypropylene Film Project】

The 38,000 t/a High-End Functional Polypropylene Film Project of Anhui Guofeng New Materials Co., Ltd. is located in the Hefei National High-tech Industry Development Zone. The project aims to build an 8.7-meter wide multi-layer co-extruded high-end functional polypropylene film production line and auxiliary facilities. The project actively follows the new materials industry development plan outlined in the "14th Five-Year Plan" period. It focuses on the urgent demand for special film materials in strategic emerging industries, covering new energy, high-end packaging, and electronic information, fills the gap in large-scale production of high-performance polypropylene film in China, and promotes the implementation of the Made in China 2025 strategy.

During the project development process, Huishang Bank actively provided financing support, effectively promoted the smooth progress of the project, and took active measures to assist the post-production operation, further meeting the financing needs for daily operations.



Promoting Transformation and Development

As a provincial bank serving the local area, Huishang Bank actively serves the establishment of the Comprehensive Green Transformation Zone for Economic and Social Development and regards the development of green finance as an important driving force to help local high-quality development. By forming a green financial work system and innovating green credit products and service models, we enhance green financial service capabilities and provide strong financial support for the green transformation and development of the local economy and society.

Huishang Bank builds a green financial framework and actively puts the concept of green finance into practice. The Bank insists on making innovation in green financial products and services, enriching the green credit product spectrum, and improving the capability and level of financial support for enterprises' green and low-carbon transformation and high-quality economic development. Through a range of policies such as carbon emission reduction support tools, special fees, and loan interest rate subsidies, we optimize the green credit structure and service methods and enhance support for low-carbon economy, circular economy, and green economy. In 2024, Huishang Bank issued a total of RMB 626.22 million in carbon emission reduction loans to eight projects, with a weighted average interest rate of 4.05%, driving an annual carbon emission reduction of 99,661.81 tons of carbon dioxide equivalent. After obtaining carbon emission reduction support tools, the Bank issued a total of RMB 784.7615 million in carbon emission reduction loans to ten projects, with a weighted average interest rate of 4.04%, driving an annual carbon emission reduction of 109,702.65 tons of carbon dioxide equivalent. By the end of 2024, the Bank's green loan balance was RMB 115.88 billion, reflecting an increase of 40.6% from the beginning of the year.

By the end of 2024,



the Bank's green loan balance was RMB

115.88 billion



reflecting an increase of

40.6% from the beginning of the year



Special Products

Sustainability-related loans

Link loans with the sustainability performance goals jointly agreed upon by the Bank and enterprises. It can achieve the unity of economic benefits and social benefits, promote the effective connection between green finance and transitional finance, and help green and low-carbon transformation and development.

Green loans for mine ecological restoration

Loan services provided for restoration entities that undertake the ecological restoration of mines under construction and production as well as the ecological restoration of abandoned mines, specifically for offering the funds required for their implementation of mine ecological restoration tasks.

Carbon emission rights pledge financing

This financing scheme allows borrowers to use their carbon emission rights or rights held by authorized third parties as collateral. Credit funds are issued to the borrower, provided they meet the necessary conditions for credit approval.

EOD project financing service scheme

This scheme offers special loans to borrowers who have been approved, authorized, or commissioned by designated authorities to implement EOD projects or become the execution entity of EOD projects through competitive procedures. The loans are specifically intended to support the construction of projects that closely relate to ecological environment management, significantly drive economic growth, and integrate ecological governance with resource development based on the EOD model.

Water-saving loans

The loans are financing solutions provided for water-saving enterprises, water-saving projects (including urban and rural water supply integration, construction of water-saving industrial parks, water-saving city development, and sewage resource utilization), and water-saving service providers.

Green loans for ecological protection and restoration

This loan scheme is designed for entities engaged in ecological protection and restoration activities, providing the necessary funding to support their protection and restoration efforts in these critical areas.

Carbon emission reduction loans

Leveraging the carbon emission reduction support tools established by the People's Bank of China, we offer preferential interest rate loans to projects that demonstrate substantial carbon emission reduction benefits. Our focus areas cover clean energy, energy conservation and environmental protection, and the development of carbon emission reduction technologies.



Sustainability-Related Loans Support Enterprise Green and Low-Carbon Transformation

In 2024, Huishang Bank issued the Implementation Plan for Sustainability-Related Loans of Huishang Bank (Trial) to design Sustainability-Related Loans to support the green and low-carbon transformation of enterprises. The Sustainability-Related Loans can meet the funding needs of the transformation of traditional industries or green development and sustainability of other industries, further enhancing the Bank's ability and level of financial support for enterprises' green and low-carbon transformation and serving high-quality economic development. The Implementation Plan details sustainability-related loans from the policy background, necessity and significance, product concept, core elements and scope of application, business models and application conditions, and business management, and puts forward specific work requirements.



【Case: Support for the Green Transformation and Development of Ma'anshan Iron & Steel Company Limited】

Huishang Bank issued the first sustainability-related loan in Anhui Province to support the steel industry. The Bank provided Ma'anshan Iron & Steel Company Limited with financial support for the green transformation and development. By linking the loan interest rate with the borrower's sustainability performance indicators, we encouraged the company to achieve sustainability transformation in a planned and targeted manner. The successful release of this sustainability-related loan not only injected strong impetus into the company's accelerated green transformation and upgrading toward a high-end, intelligent, green, and efficient direction but also provided a good example for the domestic steel industry to apply transformation-targeted financial tools to reduce transformation costs and enhance transformation momentum.

Promoting Green Consumption— Encouraging the Public to Embrace a New Trend of Emission Reduction

New Energy Vehicle Installment Payment

Relying on Huangshan Credit Card, Huishang Bank integrates the concept of green finance into credit card services. The Bank focuses on new energy vehicle installment services. Renowned for our low and preferential interest rates, convenient online application processes, and efficient business approval, we have established cooperation with leading new energy vehicle brands such as BYD, Chery, JAC, NIO, Volkswagen New Energy, XPENG, and Li Auto to quickly optimize products, improve service quality, and provide customers with convenient and preferential new energy vehicle installment services. In 2024, the annual amount exceeded RMB 5.924 billion, with a net increase of RMB 3.621 billion in automobile installments.



In 2024, the annual
amount exceeded

RMB **5.924** billion

Low-carbon Credit Card

Huishang Bank has released low-carbon-themed credit cards to actively support the development of green finance innovative business and promote low-carbon lifestyles and consumption. Focusing on low-carbon life and consumption scenarios, the Bank joins the UnionPay low-carbon rights system and designs and enriches the low-carbon rights section step by step. We effectively link financial services with personal consumption behaviors by continuously carrying out 'bus & subway rides as low as RMB 0.01' for credit card holders. We optimize and improve the low-carbon rights exchange system by using rights points to obtain shared bicycle riding cards and other rights rewards to encourage customers to embrace low-carbon life and consumption, accumulate low-carbon behaviors, and establish a personal low-carbon account system.

Empowering Rural Revitalization

For years, Huishang Bank has been rooted in the Jianghuai region. The Bank makes the most of the financial vitality to nourish the potential of agriculture, rural areas, and farmers, and activate rural revitalization. As a state-owned enterprise, Huishang Bank regards support for rural revitalization as part of our development strategy and establishes a Rural Revitalization Work Leading Group to create a leading bank in the county-level market in the province and a new force in the province's rural revitalization strategy.

Under the support and guidance of the Anhui Branch of the People's Bank of China and the Anhui Regulatory Bureau of National Financial Regulatory Administration, the Bank has conducted practical exploration around the national strategy of rural revitalization, continuously increased our innovation capabilities in rural revitalization products, and actively promoted the diversified development of rural industries with the 'Company + Base + Farmer + Large-scale Production + Professional Operation + Finance' model. Through the 'traditional village + culture' model, we aim to activate the potential assets of rural areas and support the development of the rural cultural tourism industry. We support innovation in the financial support model that combines franchise and good as well as average benefits to activate the operating income in the ecological quality improvement through franchising. We build a bank-government cooperation mechanism for rural revitalization, establish a daily liaison mechanism with the competent department of rural revitalization, and sign strategic cooperation agreements with the Anhui Provincial Department of Agriculture and Rural Affairs to unblock bank-government communication channels and follow policy trends. We also strive to reinforce the village assistance work. Huishang Bank has currently dispatched four assistance teams, 27 assistance specialists, and 18 designated contacts to provide targeted assistance to one county and 32 villages and towns. The Bank has taken practical measures to facilitate the development of credit villages led by Party building efforts. We have issued a loan of RMB 10.05 billion and the targeted assistance work has been rated as "good" for five consecutive years.

By the end of 2024, Huishang Bank's balance of agriculture-related loans was RMB 178.21 billion, marking an increase of RMB 25.46 billion from the beginning of the year. Among them, the balance of agriculture-related loans in the province was RMB 166.191 billion, reflecting an increase of RMB 25.297 billion from the beginning of the year, with a growth rate of 17.95% and 5.99 percentage points higher than the average level of agriculture-related loans in the province. The number of financial products for agriculture, rural areas, and farmers reached 18.

The cases, Exploring a New Path in Technology Finance to Facilitate a Virtuous Cycle of 'Technology + Industry + Finance' and 'Party Building + Credit' to Empower Rural Revitalization were shortlisted as excellent cases in the **Typical Cases of China's Banking Industry Innovation Development**.

Issuing the implementation plan for offering financial support to rural revitalization



The *Implementation Plan for Huishang Bank to Offer Financial Support for Rural Revitalization and Accelerating the Development of a Strong Agricultural Province* was issued to clarify the specific responsibilities of various departments in promoting rural revitalization and outline future tasks and implementation paths. The Plan clarifies the specific work tasks and timetable for financial assistance to rural revitalization and provides the Bank with strong guidance for carrying out rural revitalization tasks.

Further defining the guideline of rural revitalization loans



The *Rural Revitalization Loan Guideline Explanation and Related Requirements* was issued to standardize the statistical indicator of rural revitalization loans, guide branches to increase credit supply in key areas of rural revitalization, and promote the steady growth of the Bank's agricultural loan business. Furthermore, the *Matters Related to the Communication and Coordination Mechanism of Huishang Bank's Rural Revitalization Business* was formulated through research. The Bank has established an inter-departmental communication and coordination mechanism. Through methods such as holding quarterly meetings, special seminars, parallel operations, and recording typical cases, we have strengthened information sharing and business collaboration between departments to ensure the efficient and orderly progress of various rural revitalization tasks.

Exploring new financing paths for the market-oriented transformation of platforms



The *Suggestions on the Development of Agricultural Industrialization (Including Large-scale Custody Services) Projects* and the *Suggestions on Credit Granting for Rural Revitalization Wind Power Projects* were formulated through research, providing specific and practical guidelines for branches in the application process of agricultural industrialization and wind power energy projects. Branches are encouraged to explore and apply for such projects to support rural industrial upgrading and green development with practical actions.

Actively carrying out front-line market research



Focusing on the core demands of rural development, Huishang Bank's Head Office works with branches from time to time to conduct parallel operations, customer communication, government visits, and other research activities. In 2024, the Head Office organized in-depth market research in counties to accurately grasp the financing needs in the harmonious rural development planning and rural wind power generation projects and optimized exclusive products and services for rural revitalization.

To effectively solve problems such as financing difficulties, long distances, and lack of collateral in rural areas, Huishang Bank has strengthened financial empowerment to accurately meet the needs of characteristic rural industries. We have combined financial services with specific agricultural production scenarios and provided customized financial solutions for rural customers through deep integration of technology and finance. We have developed and released an exclusive credit product Huinong Revitalization Loan. The product supports credit processing and builds special financial scenarios such as 'bank + guarantee', 'bank + farmers + agricultural machinery dealers', and 'bank + industry'. These efforts aim to solve problems such as customers' lack of sufficient collateral.



Xiangxing Yidai Seed Industry Loan

The loan scheme is designed to provide financing services such as working capital loans for seed industry supply chain entities that meet relevant credit policies to support their operating turnover.



Huinong Revitalization Loan

The scheme refers to RMB loans issued to individual operators of new agricultural business entities that meet relevant credit policies for legal production and operations.



【Case: Huishang Bank Improved Credit Services for New Agricultural Entities】

To cope with the financing difficulties of aquaculture customers in Wuwei County-level city, Wuhu, Anhui Province, Huishang Bank's Head Office and branches have worked together to design a 'One Industry, One Feature' financial service solution for local aquaculture customers. An innovation-driven development model of 'bank + aquaculture association + farmers' has been carried out. A comprehensive credit method that combines credit and guarantee has addressed the difficulty of aquaculture customers lacking effective collateral. In business marketing and promotion, Huishang Bank Wuhu Branch worked with local insurance companies to adopt the 'finance + insurance' joint promotion model. It creatively combines the promotion of financial product policies with the daily underwriting and maintenance tasks of insurance companies. This innovation has helped the Bank's financial products leave a deeper impression on the aquaculture farmers, acquaint more farmers with Huishang Bank's products and credit policies, and unblock the 'last mile' of financial services. As of the end of 2024, Huishang Bank Wuhu Branch provided loans exceeding RMB 20 million for over 40 local aquaculture farmers in total, meeting the urgent needs of aquaculture farmers.



【Case: Huishang Bank Facilitated Innovation in Debt Financing Business】

The rural revitalization financing bill focuses on the development of agriculture, rural areas, and farmers. It places emphasis on supporting projects related to developing rural industries, increasing farmers' employment and income, and facilitating agricultural modernization. It is also significant to further leverage interbank market debt financing tools and broaden the market-oriented financing channels for rural revitalization needs. In 2024, Huishang Bank completed the underwriting of three rural revitalization financing bills in the interbank market, with an issuance amount of RMB 1.4 billion and an underwriting share of RMB 530 million. This reflects that Huishang Bank has effectively promoted the financial support and guarantee for rural revitalization and accelerated the implementation of the rural revitalization strategy.



【Case: Huishang Bank Issued County-Level Wealth Management Products to Support Rural Revitalization】

Huishang Bank has accelerated the implementation of policies on high-quality development in counties, expanded county customer groups, met the diverse financial needs of county residents, and cooperated with wealth management companies to introduce a range of wealth management products that meet county needs. By the end of 2024, the balance of county-level exclusive wealth management products reached RMB 2.366 billion.

Benefiting People's Well-Being

Huishang Bank has always taken people's livelihood needs as the core driving force of financial service innovation. The Bank improves the inclusive and basic public service network by supporting major provincial social livelihood projects and urban renewal actions. We focus on groups with special needs and common financial scenarios at the grassroots level, keep optimizing the aging-friendly service system, strengthen the construction of barrier-free facilities in offline outlets and the improvement of online service processes for the elderly, and effectively safeguard basic financial rights such as cash use and social security services. Moreover, an emergency response mechanism for customer groups with special needs has been established to provide door-to-door services for the elderly and disabled with limited mobility and fully implement the inclusive commitment of finance for the people.

Huishang Bank is deeply integrated into the province's livelihood project blueprint and strengthens precise support in the infrastructure field.

First, the Bank tackles key social livelihood projects in Anhui Province's Key Project List. In 2024, a total of RMB 5.773 billion of credit was provided for eight livelihood projects in the *Anhui Province 2024 Key Project List* and RMB 1.949 billion was invested within the year. Second, the Bank focuses on urban renewal. Since the introduction of the *Management Measures of Huishang Bank for Urban Renewal Loan (Trial)* in December 2021, the Bank has provided financing support for 197 urban renewal projects. In 2024, RMB 24.585 billion was newly approved and RMB 22.748 billion was invested. Our service scope has extended to 16 prefecture-level cities in Anhui and regions outside the province such as Ningbo, effectively sharing urban development achievements with the public.

Improving the Financial Channels for Elderly Care Services



Optimizing the location of offline outlets

Huishang Bank optimizes the location and layout of outlets. We actively set up offline outlets in areas with dense elderly customers and strong offline financial demands through relocation and establishment of new outlets.

By the end of 2024



we had set up **407** business outlets
in 16 prefecture-level cities in Anhui Province



including **156** in counties and below



We had **1** National Top 100
Civilized Standard Service Outlet



2 Top 1,000 Civilized Standard
Service Outlets



ranking first in the banking industry

for ten consecutive years in the Resident Satisfaction Survey of Anhui's Service Industry



Optimizing the functions of offline outlets

Huishang Bank strives to create barrier-free environment in outlets and incorporate barrier-free environment formation standards into the decoration and renovation of outlets. We post 'convenient service window' signs at outlets, equip customer waiting areas with convenient seats, and prepare service boxes in convenience service areas, which contain reading glasses, magnifying glasses, and other tools. We also provide auxiliary equipment such as first aid kits and wheelchairs and build barrier-free ramps and handrails outdoors.

By the end of 2024



all bank outlets set up barrier-free passages,
opened **435** convenient service windows



retained **851**
passbook service windows



arranged over **500**
full-time employees to help elderly customers



Taking comprehensive measures to set up 'Changchunhua' special outlets

Huishang Bank takes different measures to meet the requirements of regulatory authorities. We standardize service processes, improve service standards, offer better convenient and elderly-friendly facilities, arrange full-time employees to provide accompanying services for the elderly, and continue to establish 'Changchunhua' special elderly service outlets that are helpful, friendly, and suitable for the elderly.

By the end of 2024



the Bank established **102** 'Changchunhua'
elderly-friendly payment service outlets across the province



accounting for over **25%**
of the total number of outlets in the province



Improving online and self-service channels for the elderly

Huishang Bank takes into full consideration the special needs of the elderly group and optimizes online aging-friendly services through different methods. These efforts include introducing a 'Qingsong' version smart self-service terminal with enlarged icons and large fonts suitable for elderly customers; releasing and continuously optimizing the Simple E version mobile banking application; setting five main navigation pages with large fonts; upgrading voice navigation and barrier-free voice broadcast functions; optimizing basic services such as asset-liability view and account management; simplifying operations for elderly customers; introducing a simplified version of the credit card application and offering a care mode to effectively improve the availability, ease of use, and security of financial services for the elderly. Moreover, we also optimize the service hotline process for the elderly. Customers over 60 do not need to enter their ID number and other information. Instead, the self-service main voice menu can directly identify all incoming call numbers and guide elderly customers into manual services.

Offering Earnest Basic Pension Services

Supporting social security collection and payment

Huishang Bank actively cooperates with local social security bureaus to strengthen the publicity of basic urban and rural resident pension insurance collection and use our online applications and offline outlets to provide basic insurance collection services for individual industrial and commercial businesses, flexible employees, and other groups. We also provide pension payment services to improve the comprehensive service level of existing pension payments.

In 2024



RMB **1.6** billion in social security fees were collected for over 400,000 customers



RMB **15** billion in pensions were paid to nearly 650,000 individuals

Providing detailed social security customer services

Huishang Bank conducts comprehensive activities to reach enterprises, units, and campuses. The Bank makes every effort to issue the third-generation social security card, continuously improves the coverage of Huishang Bank-based social security cards, takes practical measures to promote the nearby services for social security business, and keeps improving the accessibility and convenience of social security services.

In 2024



the Bank issued **3.1337** million third-generation social security cards



marking an increase of **467,000** from the beginning of the year



The new market share reached **10.98%**



ranking **second** in the province



All outlets of the Bank realized that about **30** daily human resources and social security services can be handled nearby and at multiple outlets

Building Pension Financial Service Scenarios

Convenient medical services

Huishang Bank joins hands with relevant hospitals to integrate payment settlement, healthcare options, public services, and other related functions based on the Bank's mobile banking applications, creating 'Yinyitong', a one-stop convenient product and service combining internet, social security, medical health, and finance. The elderly can make online appointments, have online medical treatment, make payments, and enjoy express delivery of medicines. These services help elderly customers enjoy the convenience of meeting a doctor and receiving medicines at their homes.

Convenient dining

Huishang Bank works with local civil affairs departments to help elderly customers obtain convenient dining services by upgrading meal settlement machines and optimizing password-free payment functions.

Convenient payment

Huishang Bank accelerates the deployment of bank card acceptance terminals in public service areas related to water, electricity, gas, administrative and institutional fee payments, as well as common consumption scenarios for the elderly such as retail, supermarkets, and restaurants. We aim to optimize the bank card payment acceptance environment and provide better and convenient payment services for elderly customers.

By the end of 2024



the Bank served a total of

321,000

elderly customers

Continuously Optimizing Cash Use Environment

Continuously improving cash service capabilities

Huishang Bank's outlets retain a reasonable number of cash service windows, prepare enough banknotes of various types, open green channels for cash exchange, and further smooth the cash collection and payment channels. The Bank provides 'small change wallet' exchange services by organizing employees to visit surrounding markets, supermarkets, and restaurants to offer business door-to-door cash services. Bank outlets take the initiative to provide cash services such as small change exchange and residual coin collection for merchants and residents in need based on local conditions. We also strive to prepare enough paper money, arrange the new banknote release plan reasonably, further improve the convenience of the new banknote exchange, and effectively enhance the public's sense of gain and happiness in using cash.

By the end of 2024



Huishang Bank exchanged over

74,000

'small change wallets' for customers



Exchanging the 'small change wallet'

Continuously improving cash service capabilities

Huishang Bank further increases the centralized operation guarantee of self-service equipment by strengthening real-time monitoring, reasonably evaluating cash demand, timely optimizing the inventory banknote structure, and ensuring that each banknote has sufficient supply and a reasonable structure. The Bank regularly checks CRS and other cash self-service equipment and conducts banknote replenishment and cleaning operations timely to ensure the normal operation of the equipment. Small-denomination cash withdrawal function of self-service equipment is also available.

Continuously improving foreign exchange business service capabilities

Huishang Bank focuses on key areas to timely apply for personal foreign exchange business qualifications and prepare the Bank's personal foreign exchange business electronic map information table.



【Case: Huishang Bank Chuzhou Tianchang Sub-Branch Helped the Elderly with Disabilities Handle Difficulties in Obtaining Medical Services】

On November 14, 2024, Huishang Bank Chuzhou Tianchang Sub-Branch received a request for help from a relative of an elderly surnamed Zhong who was mentally disabled. The second-generation social security card of the elderly customer had expired and the third-generation social security card had not yet activated its financial function and could not make payments. However, the customer urgently needed to activate the financial function to pay for medical treatment. Due to the inconvenience of mobility, the elderly customer could not visit the outlet to apply for activation. Thus, the sub-branch received this request.

After understanding the customer's needs, the sub-branch immediately dispatched employees to provide door-to-door services. The employees brought the service equipment to the elderly's home. After verification and confirmation, they successfully activated the financial function of the third-generation social security card and opened a text message notification service for the elderly customer. This function helped the elderly check the current status of a transaction and efficiently met the financial needs of the elderly with disabilities.

By the end of 2024



Huishang Bank's **61** cash

self-service devices had the small-denomination withdrawal function.



Huishang Bank had **85** outlets

qualified for private foreign exchange settlement and sales in the province



covering key areas such as the

'One Place, One Circle, and Eight Cities'





03

Digital and Intelligent Integration



Accelerating Digital and Intelligent Transformation to Boost Financial Efficiency

As the only provincial-level legal entity bank in Anhui, Huishang Bank consistently enhances the quality and efficiency of its financial services, seeks to bolster financial support, continually refines its financial service system, focuses on the digital transformation of customer rights and interests protection, and remains committed to delivering excellent financial services to its customers. We place great emphasis on the update and iteration of our information security mechanisms, ensuring the protection of customer privacy and establishing a robust and comprehensive financial information security protection network.



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Protecting Customers' Rights and Interests

Huishang Bank attaches great importance to the protection of consumers' rights and interests. Adhering to the concept of "customer-centric", we strictly comply with laws and regulations such as the *Law of the People's Republic of China on Protection of Consumer Rights and Interests*. We have developed internal policies such as the *Huishang Bank Customer Complaint Management Measures*, the *Assessment Measures for Consumer Rights and Interests Protection in the Headquarters of Huishang Bank*, and the *Assessment and Evaluation Management Measures for Consumer Rights and Interests Protection in Huishang Bank*. Efforts are also made to deepen the consumer rights and interests protection system construction, incorporating this protection into all facets of corporate governance. "Customer rights and interests protection" is considered a strategic priority and is incorporated into our five-year strategic action plan.

Huishang Bank has initiated a "Consumer Protection Fast Track", establishing a long-term communication mechanism for consumer rights and interests protection. With a focus on regulatory priorities and current hot topics in financial consumer rights protection, the Bank has compiled a dynamic collection of typical cases and regularly disseminates special work guidelines throughout the Bank. A multi-dimensional system has been developed to showcase the effectiveness of consumer protection initiatives. This system highlights the quality and efficiency of financial education, consumer protection capacity building, and regulatory evaluation. By building a platform for sharing best practices across the Bank, we encourage the exchange of experience and innovation in service models among institutions, consistently enhancing the operational efficiency of the consumer rights protection system. In 2024, the Bank completed 3,886 consumer protection-related pre-reviews regarding products and services, marketing promotions, and customer agreements, marking a year-on-year increase of 26.66%.

In 2024



the Bank completed

3,886 consumer
protection-related pre-reviews
regarding products and services



marking a year-on-year
increase of

26.66%

Continuously ensuring smooth complaint channels



Huishang Bank continues to optimize its multi-tiered customer demand response system. It has developed and implemented the *Complaint Transfer and Undertaking Plan for the Financial Consumer Protection Service Platform of Huishang Bank*, completed the upgrade of the internal complaint system, and realized the transfer of complaints through the consumer protection service platform. Two additional consumer protection complaint hotlines have been added, making a total of four lines currently in operation within the Bank. Through the optimized allocation of these hotline resources, the service response efficiency is improved. Additionally, the call handling operations of the 12378 center have been optimized by implementing customer demand diversion and guidance in advance to enhance service assurance capabilities.

Innovating diverse methods for resolving disputes



Huishang Bank and the Anhui Provincial Financial Consumer Dispute Mediation Committee have taken the lead in signing a memorandum of understanding (MOU) for the diverse resolution of small claims disputes. For financial dispute cases where facts are clear and disputed amounts are appropriate, a rapid response and handling channel has been established, with the Anhui Provincial Financial Consumer Dispute Mediation Committee being entrusted to mediate disputes. This initiative enhances mediation efficiency, simultaneously deepens internal governance coordination, and facilitates the effective implementation of the MOU's provisions within the Bank. In 2024, 61 complaints and disputes were mediated through the Anhui People's Mediation Committee for Financial Disputes in the Banking and Insurance Sectors, while 114 complaints and disputes were resolved internally through reconciliation.

Intensifying complaint management efforts



Huishang Bank has developed a regular complaint accountability mechanism, concentrating on essential dimensions such as business process standardization, service timeliness, and service quality to perform targeted inspections. The Bank strictly enforces the internal complaint management systems and carries out dual-dimensional assessments and accountability for institutions and individuals. Following the principle of "identifying similar issues for rectification based on each identified complaint", the Bank achieves simultaneous improvement in both customer complaint resolution quality and business operational efficiency.

● Ensuring traceability and rectifying issues



Huishang Bank has initiated a systematic approach to addressing service shortcomings reflected in customer complaints. The Bank conducts monthly analyses of the issues raised, performs root cause analysis and service process reviews of complaint cases, and prompts improvements in products and services. Monthly Consumer Protection Leading Group meetings are held, chaired by Head Office leaders, focusing on examining business process deficiencies revealed through typical complaint cases. The Bank has established a problem traceability management mechanism to ensure relevant departments optimize and rectify products and services.

● Strengthening consumer protection training



Following the consumer protection training plan, Huishang Bank proactively conducts both internal and external training sessions focused on consumer protection, covering middle and senior management, junior employees, and new employees. The Bank is committed to increasing both the frequency and intensity of training in key business areas, aimed at continuously enhancing the overall capability and efficacy of consumer rights protection bank-wide. The selection of financial education lecturers and premium courses is underway, aiming to create a resource library of outstanding lecturers and superior courses, facilitating a knowledge-sharing mechanism throughout the Bank. Since the beginning of 2024, the Bank has conducted over 160 specialized training sessions on consumer protection, reaching more than 50,000 attendees.

Actively carrying out financial knowledge publicity activities

During the reporting period, Huishang Bank consistently advanced its financial knowledge popularization program, adopting both online and offline educational outreach methods. Throughout the year, 5,998 educational and promotional events were conducted, including 4,738 offline activities in communities, businesses, and various settings. More than 500 original consumer protection materials were published through online platforms, garnering over 3.12 million views and engaging over 38 million consumers. We strengthened partnerships with provincial mainstream media to plan 9 special promotional programs. This initiative fostered a positive social atmosphere of "learning about finance, understanding finance, trusting finance, and utilizing finance", significantly boosting financial consumers' ability to make informed decisions and mitigate risks.

● Focusing on "elderly, young, and new citizens" to enhance consumer protection services

Financial protection for seniors



Huishang Bank's branches in Hefei, Anqing, Bengbu, and Huainan have launched specialized financial services tailored for elderly customers. By conducting anti-fraud case sharing at elderly universities and community centers, they aim to enhance seniors' ability to identify financial risks. The Hefei Branch, in conjunction with its sub-branches and four partner insurance institutions, hosted a financial lecture at the elderly university in Tongyang Town, Chaohu City. This activity aimed to strengthen the dissemination of fundamental financial knowledge and effectively improve the financial service experience and risk awareness among elderly customers.

Financial Consumer Protection Campus Tour



Huishang Bank's 21 branches have jointly launched the "Consumer Protection Campus Tour" program, covering multiple educational stages from primary to university levels, and delivering financial knowledge lectures to student groups. The Huaibei and Bozhou branches utilized public welfare education to disseminate financial knowledge, fortifying campus security awareness. During the "Spring Buds for Talent" education support program, the Huaibei Branch highlighted financial security from areas such as investment and wealth management, personal data protection, and deposit insurance, advising students on enhancing their capabilities in risk identification and prevention as both financial consumers and investors.

Financial support to new citizens



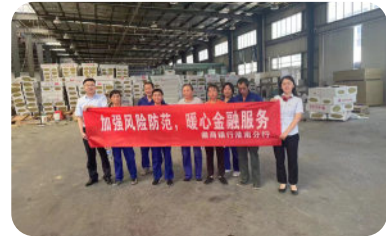
Huishang Bank's 21 branches have directly reached out to enterprises and commercial districts. Through dedicated lectures, interactive Q&A sessions, and the distribution of informative materials, they ensure employees are well-versed in financial literacy and aware of illegal financial activities, thereby safeguarding their personal information and property.



Visiting the Elderly University
in Tongyang Town, Chaozhou City



Financial Consumer Protection
Campus Tour



Engaging with Enterprises to
Support New Citizens

Financial Education Promotion Month

In 2024, Huishang Bank actively launched the "Financial Education Promotion Month" campaign, achieving full coverage across 16 cities and 59 counties in Anhui Province, as well as in five external regions: Nanjing, Beijing, Shenzhen, Ningbo, and Chengdu. The participation rate of the Bank's employees reached nearly 80%. By integrating online and offline efforts, a total of 1,853 publicity and educational activities were conducted, including 428 specialized events targeting grassroots levels in counties. A total of 175 original educational content pieces were published online, with a reach exceeding 1.71 million times. Overall, the campaign reached over 17.86 million financial consumers across all channels, including 1.94 million county residents.



Huishang Bank Launching the "Financial Education Promotion Month" Campaign



【Case: Harnessing the Group's Innovation for Hands-On Financial Education】

Huishang Bank, in collaboration with Huishang Bank Financial Leasing Co., Ltd. and Huishang Bank Wealth Management Co., Ltd., set up an interactive installation called the Financial Knowledge Station in Luogang Park, Hefei City. They ran a month-long interactive exhibition that integrated financial knowledge into game interactions, expanding the scenarios for financial education. Through interactive games such as the "Eight Rights" flip-card game, Mid-Autumn Festival financial knowledge lantern riddles, anti-fraud publicity basketball games, and risk assessment level determination through long jump competitions, we integrate financial education with everyday leisure and entertainment scenarios for consumers. We guide consumers in mastering knowledge about dormant accounts, rational investment, and personal information security. These efforts highlight financial measures that benefit the public and promote China's distinct financial culture. The initiative seeks to enhance consumer awareness of fraud prevention, disseminate the "Three Appropriateness" principles, and guide consumers to mitigate investment risks and make informed investment decisions. This approach ensures that consumers can understand, engage with, and are willing to learn about these financial concepts.





【Case: Enhancing Anti-Fraud Defense Through Police-Bank Collaboration】

Eight branches, including the Wuhu Branch, Ma'anshan Branch, Huaibei Branch, Lu'an Branch, Tongling Branch, Suzhou Branch, Bozhou Branch, and Ningbo Branch, partnered with local public security bureaus to carry out financial education and awareness campaigns through various formats such as offline interactions and online live streams. These initiatives aimed to make financial knowledge and anti-fraud methods not only heard but also deeply understood, contributing to a safer financial environment. On September 7, the Tongling Branch, in cooperation with the Tongling Public Security Bureau, organized an event titled "Police and Banks Teach You How to Protect Your 'Money Bag'" at Wanda Plaza, featuring a combination of an online Douyin live stream with an offline "ring toss" game. The live stream attracted a cumulative total of 14,000 viewers. On September 12, the Ma'anshan Branch joined forces with the Economic Crime Investigation Detachment of the Ma'anshan Public Security Bureau and the Economic Crime Investigation Brigade of the Huashan Sub-Bureau of the Ma'anshan Public Security Bureau to conduct an anti-fraud campus event titled "Police and Banks Join Hands to Ensure Safety" at Ma'anshan Technical College.



【Case: Anqing Branch Participates in the "Chinese Farmers' Harvest Festival"】

On September 19, the Anqing Branch attended the "Chinese Farmers' Harvest Festival" event in Siqiao Village, Wenquan Town, launching a "Financial Knowledge Market" awareness campaign. The initiative skillfully integrated the themes of "Finance for the People: Writing a New Chapter in Safeguarding Rights and Mitigating Risks" and "Learning from the 'Thousand Villages Demonstration and Ten Thousand Villages Renovation' Project to Celebrate China's Harvest". Against the backdrop of a thriving new-era beautiful countryside celebrating a bountiful harvest, the event saw police and locals collaborate to embed financial knowledge into various lively rural sporting activities, including rice-cutting competitions, grain-carrying races, sandbag tosses, and corn-husking contests. This campaign allowed villagers to receive enjoyable financial education while celebrating the harvest, yielding impressive outreach results.



● Engaging with the grassroots to launch special consumer protection activities in counties

Leveraging the extensive network of 21 branches and 62 county outlets, Huishang Bank has crafted a tailored service plan aimed at providing targeted financial education support specifically for old revolutionary areas and economically underdeveloped counties. Through initiatives including "Rural Loudspeaker", "Opera for the Masses", "Financial Knowledge Walls for Villagers", "Financial Knowledge Market", "Delivering Knowledge to the Public", "Financial Knowledge Classes", and "Financial Knowledge Promotion Group", we ensure that consumer protection education truly reaches the grassroots and impacts their daily life.



Huishang Bank Launching Special Consumer Protection Activities in Counties



【Case: Utilizing Village and Town Mass Activity Centers to Extend the Reach of Financial Education】

The Anqing Branch, Suzhou Branch, and Bozhou Branch ingeniously combined cultural performances with financial education. By introducing secure payment basics and common fraud schemes, they helped residents recognize and avoid financial pitfalls, safeguarding their assets. For example, the Anqing Branch invited the Dongsheng Troupe from Tongcheng to merge opera with financial education at the Citizen Square in Xindu Town, Tongcheng, to guide villagers on responsible investing and borrowing, thus raising their awareness about safety and risk management.



【Case: Implementing "Financial Knowledge Walls for Villagers" to Highlight Financial Education Commitment】

The eight branches, including the Anqing Branch, Huaibei Branch, Lu'an Branch, Fuyang Branch, Huangshan Branch, Chuzhou Branch, Xuancheng Branch, and Bozhou Branch, have made efforts at the grassroots village level. They disseminated financial knowledge through engaging wall poster bulletin boards and financial cultural walls, guiding villagers to make rational consumption choices, stay away from financial scams, and safeguard their finances. At the entrances and exits of National Highway 105 and expressways in Chashui Town, Qianshan, where there is a high density of people, the Anqing Branch has installed wall posters. These serve to remind villagers to "combat fraud and illegal activities, prevent risks, uphold honesty and integrity, and invest rationally", thereby bringing financial knowledge closer to the everyday lives of the villagers. At the Shucai Village of Dushan Town in Lu'an, the Dushan Sub-branch utilized rural wall posters as frontline platforms for financial education. The sub-branch painted a financial knowledge wall using vibrant colors to spread financial knowledge and employed easy-to-understand jingles to break down complex financial concepts into easily digestible information, making it easier for villagers to understand, remember, and apply.



Delivering Excellent Service

As part of its efforts to develop a distinctive, civilized, and standardized service system, Huishang Bank has made significant progress in establishing star-rated outlets. Each branch continuously "strengthens awareness, cultivates talent, improves environment, enhances quality, and promotes development" to create a tiered group of service benchmark demonstration outlets. Through the guidance of these benchmarks, the Bank has elevated its service level and image during the creation process, providing customers with a superior service experience.

Through the customer experience digital management platform, we have addressed 354 service pain points and completed 151 required and planned transformations. Simultaneously, we have conducted specialized research on interbank service models, resulting in decision-support documents such as the Customer Experience Improvement Research Report and the Research Report on New 'Cloud Counter' Service Models. These documents have supported the upgrade of the Bank's "cloud counter" service model and the development of a touchpoint management system.

In the Customer Satisfaction Survey conducted by the Anhui Center for Provincial Survey, Huishang Bank garnered honors for 2024, including

"First Place in the Banking Industry"

"Most Satisfactory Bank for Residents"

"Top Ten Most Satisfied Enterprises in Fulfilling Social Responsibilities"

Standardizing the process of outlet construction

Huishang Bank is advancing the enhancement of its outlet standardization construction capabilities. Following the principles of "delegating power, improving regulation, and upgrading services," it has revised and implemented the *Huishang Bank Outlet Channel Decoration Project Construction Engineering Specifications* to refine work procedures and ensure the efficient execution of outlet expansion plans. Simultaneously, the Bank has formulated the Detailed Implementation Rules for the Management Evaluation of Huishang Bank Outlet Construction Projects to establish a three-dimensional evaluation model. This model covers construction quality monitoring, cost-effectiveness assessment, and partner access tracking, aiming to achieve full lifecycle monitoring and dynamic risk alerting of engineering projects. Furthermore, there has been a proactive effort to promote standardized efficiency enhancement across outlets. The Bank has rolled out the bank-wide promotion of the 3.0 version of outlet capacity enhancement, establishing a standardized knowledge framework to effectively boost the operational management and market expansion capabilities of branches and sub-branches.

Enhancing the overall service quality across the Bank

Continuously enhancing the star-rated service creation work at outlets

Huishang Bank has formulated and implemented the *Huishang Bank Outlet Star-rated Service Creation Scoring Standards* and organized branches and sub-branches to visit the Nanling Sub-branch (one of the top 100 outlets) in Wuhu for on-site observation and learning.

Strengthening the supervision and inspection of outlet service quality

The Bank has revised the *Service Evaluation Standard for Huishang Bank* (2024 Edition) and disseminated it through training, with ongoing remote supervision and inspections of outlet services. Additionally, mystery shopper audits are conducted semi-annually, ensuring that any issues identified are promptly addressed to consistently improve service quality at all of the Bank's outlets.

Enhancing outlet service management during holidays

The Bank has strengthened service management for peak holiday periods, including optimized outlet rotation scheduling. Mobile banking's outlet service features have been upgraded, and standardized public announcements of holiday operating hours of outlets have been implemented across all branches.

Continuously enhancing the management of value-added services

The Bank has developed a promotional plan for value-added services, optimized the usage process of value-added services in VIP lounges, and successfully rolled out dedicated service areas in branches such as those in Hefei, Wuhu, Nanjing, and Bengbu, thereby improving customer experience with these offerings.

Enhancing digital management capabilities

The Bank has conducted comprehensive digital individual customer group management capability improvement training across the Bank. Through workshop-based practical sessions, it has developed 10 key customer group management manuals covering elements such as systems, data, products, benefits, and channels, achieving precise adaptation and dynamic optimization of differentiated service strategies.

Convenient hardware facilities at outlets

- In support of individuals with disabilities, all types of outlets are equipped with wheelchair ramps and emergency call buttons as standard features wherever the physical environment allows. This ensures easy access for people with disabilities. In emergencies, they can use the emergency call button to contact the outlet lobby staff for assistance in entering, exiting, and handling transactions.
- A designated waiting area is provided, with free hot water and wireless internet access. During winter and summer, outlets are equipped with heating and air conditioning to offer a comfortable place for sanitation workers and the public to stay warm in the winter and cool in the summer. The waiting area features special seating designed for pregnant women, seniors, and individuals with disabilities.
- A public education area is available, equipped with electronic display screens and a selection of books, newspapers, and magazines for customers and local residents to enjoy while waiting for services or taking a break.
- Baby care rooms are set up in outlets where conditions permit. These rooms are stocked with essential items for mothers and infants, providing a space for women to rest, nurse, and care for their babies. Additionally, dedicated children's play areas are available for kids to relax and have fun.
- All types of outlets are equipped with convenience service cabinets. Furthermore, as stipulated in the 3.0 manual, branches and sub-branches are required to offer complimentary personalized amenities such as wheelchairs, sewing kits, wireless WIFI, reading glasses, banknote verification machines, pet cages, umbrellas, and more. Comprehensive outlets set up trade union stations and are equipped with dedicated rest areas, as well as microwaves, first aid kits, water dispensers, and other related facilities.

Optimizing account services for international visitors to China

Huishang Bank has developed the *Guidelines for Huishang Bank to Optimize Bank Account Services for International Visitors to Anhui*, and has organized key outlets to establish dedicated service windows for these visitors to open accounts, marked with "Foreign Service Window" signs, to offer customers convenient account opening services. Currently, four key account opening outlets, including the Anqing West Road Sub-branch in Hefei, have passed the acceptance of the local People's Bank of China. The Bank has enhanced training on anti-counterfeiting and verification of overseas customers' documents, maintained diligent overseas customer identification efforts, and actively conducted special training to improve the foreign language skills of counter staff, ensuring smooth communication with overseas customers. Meanwhile, we have updated the "Safe Account Opening" QR code that offers bank account opening guidelines in both Chinese and English, and prominently displayed the account service standards, charging standards, and a three-tiered complaint and supervision hotline in the lobby. We aim to facilitate customer complaints, ensure consistent and standardized responses, and enhance the service experience for overseas customers.



Manual of Payment Service for International Visitors to Anhui



Optimizing Payment Service Publicity

Achieving breakthroughs in cross-border service capabilities

Huishang Bank has implemented the *Personal Foreign Exchange Business Development Plan* to further improve the management system and service processes for personal foreign exchange operations. In the realm of digital services, we have completed the development of mobile banking features for foreign exchange settlement and sale. Concurrently, we have launched real-time exchange rate inquiries, foreign currency exchange estimation tools, and specialized data analysis reports for foreign exchange settlement and sale services. On the channel development front, the Bank has established 126 professional outlets with complete foreign exchange business qualifications. Additionally, we have set up one foreign currency exchange point in key areas, increasing foreign currency cash availability and inventory as needed, thereby effectively catering to customers' daily foreign currency exchange and cross-border financial service needs. We are actively implementing the guiding principles of the *Opinions of the General Office of the State Council on Further Optimizing Payment Services and Enhancing Payment Convenience*. To enhance the ease of use of bank cards for foreigners in China and to uphold the concept of "payment for the people", we have successfully enabled the acceptance of international bank cards through joint acquiring with China UnionPay Merchant Services Payment Inc. This initiative has led to the deployment of international card acceptance terminals across 118 key establishments within Anhui Province.

Huishang Bank has earned a Class A rating in the annual evaluation for banks' compliance and prudent operation in foreign exchange business



Class A



Vigorously promoting the digital finance process

• Innovative financial products: launching credit cards for credit-based medical service

Through innovation in credit card financial products and advanced technical support, Huishang Bank has successfully integrated with the medical insurance platforms of Wuhu and Hefei in Anhui Province. We have launched the province's first credit-based medical service platform, bringing a new transformation to the medical service sector across the province. The introduction of the credit-based medical service offers significant convenience to medical insurance customers in both regions, allowing customers with good credit histories to enjoy the service of treatment first and payment later, eliminating the hassle of waiting in line to pay. This reflects the profound changes brought about by innovative financial services.

• Promoting video-based face-to-face signing to enable a seamless full-process card application for retail customers

Huishang Bank actively promotes the video-based face-to-face signing feature for dual-card customers, enhancing the efficiency of card applications. We have enabled online application channels to process submissions and integrated them with the Zhantu platform, eliminating the need for physical contracts and achieving a paperless application process throughout.

• Digital transformation of personal credit financial products

We are promoting the innovation, optimization, and upgrading of business loan products

We are innovating the convenient online credit model for the Huinong Revitalisation Loan by creating a fully online processing model for personal commercial vehicle products. We are also expediting the development of one-click loan renewal features for both cloud mortgage loans and cloud guarantee loans, helping to ease the short-term financing pressure of small and micro businesses.

We are promoting the innovation, optimization, and upgrading of consumer loan products

We are improving the system functionalities of Huishang Bank's e-loans, including features for refinancing, video verification, discount coupons, and interest deductions. We have developed consumer e-loans, renovation e-loans, and auto e-loans to meet customers' credit needs in different scenarios, both online and offline.

We are advancing the optimization of online mortgage functions

We have completed the development of Yizhike for mortgage customers, covering online credit authorization, mobile contract signing, loan disbursement, and dual recording functionalities, achieving a completely online mortgage business process.

Newly upgraded Mobile Banking 7.0

Huishang Bank is advancing the development of Mobile Banking 7.0, continuously boosting its online operational capabilities, enhancing customer experience, and driving the online business and digital and intelligent operations into a new phase.

Focusing on user experience design

we present an entirely new visual effect. We have completed the redesign of the homepage, lifestyle, wealth management, credit card, and my account sections of the mobile banking app. Additionally, we have introduced a large-font version of five sections tailored for the elderly, redesigned the simplified e-version pages, and added functionalities such as precious metals, assets and liabilities, and outlet service features to enhance the age-friendly service experience of mobile banking.

Accelerating the optimization and iteration of functions while simplifying page interactions

We have upgraded the wealth management channel of the mobile banking app, launching sections for popular financial management products, preferred deposits, top fund rankings, and precious metal recommendations. We have streamlined the processes for purchasing and redeeming financial management products, funds, insurance, and counter bonds, while introducing new features such as a comprehensive wealth overview and exclusive benefits for private banking clients. This approach aims to create an accompaniment-oriented wealth management service that promptly meets customers' needs for specialized, comprehensive, and companion-style services. We have also upgraded personalized service experiences by adding innovative features such as monthly and annual statements, bank account limit inquiries, customized loan product recommendations, and real estate mortgage registration.

Actively promoting the construction of remote banking

In terms of text customer service, we have added a service channel through the WeChat official account for Huishang Bank Online Loans and optimized the Text Customer Service 2.0 version for the Trader platform and app.

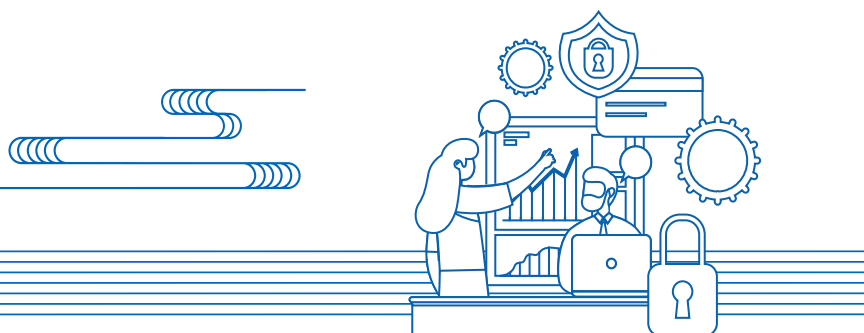
Concerning telephone customer service, we have introduced the new online signing service via Yinxintong, and launched online inquiry functions for mutual verification of Class II and III accounts, funds, government bonds, retail points, etc. We have implemented scenarios for cloud commercial loan repayment reminders, dynamic monitoring of abnormal operations for core Internet enterprise clients, and automated calls for core Internet customers whose identity documents have been expired for more than six months. Additionally, we have introduced scenarios for manual verification of high-risk transactions to prevent fraud.

For video customer service, we have launched scenarios for online unblocking of bank cards, face-to-face signing for dual credit cards, and face-to-face signing for medical credit cards. We have also implemented scenarios for auto e-loans, renovation e-loans, consumer e-loans, and personal commercial vehicle loans.



【Case: Actively Promoting the Development of Online Characteristic Business】

Huishang Bank continues to enhance mobile banking services for people's livelihoods with a focus on green consumption promotion and healthy city building. In collaboration with the Anhui Provincial Department of Commerce, it has launched an online home appliance trade-in initiative. We once again hosted the registration for the Hefei Marathon, creating a comprehensive digital platform for registration and payment while establishing a direct fund settlement channel with the Hefei Sports Public Service Platform. Additionally, we are expanding our smart travel services by enabling digital top-up for the Wuhu Public Traffic Card on iOS mobile devices, allowing for the payment application of the Nanjing Citizen Card in public transport and industrial park settings, and advancing the integration of high-frequency scenario ecosystems with financial services.



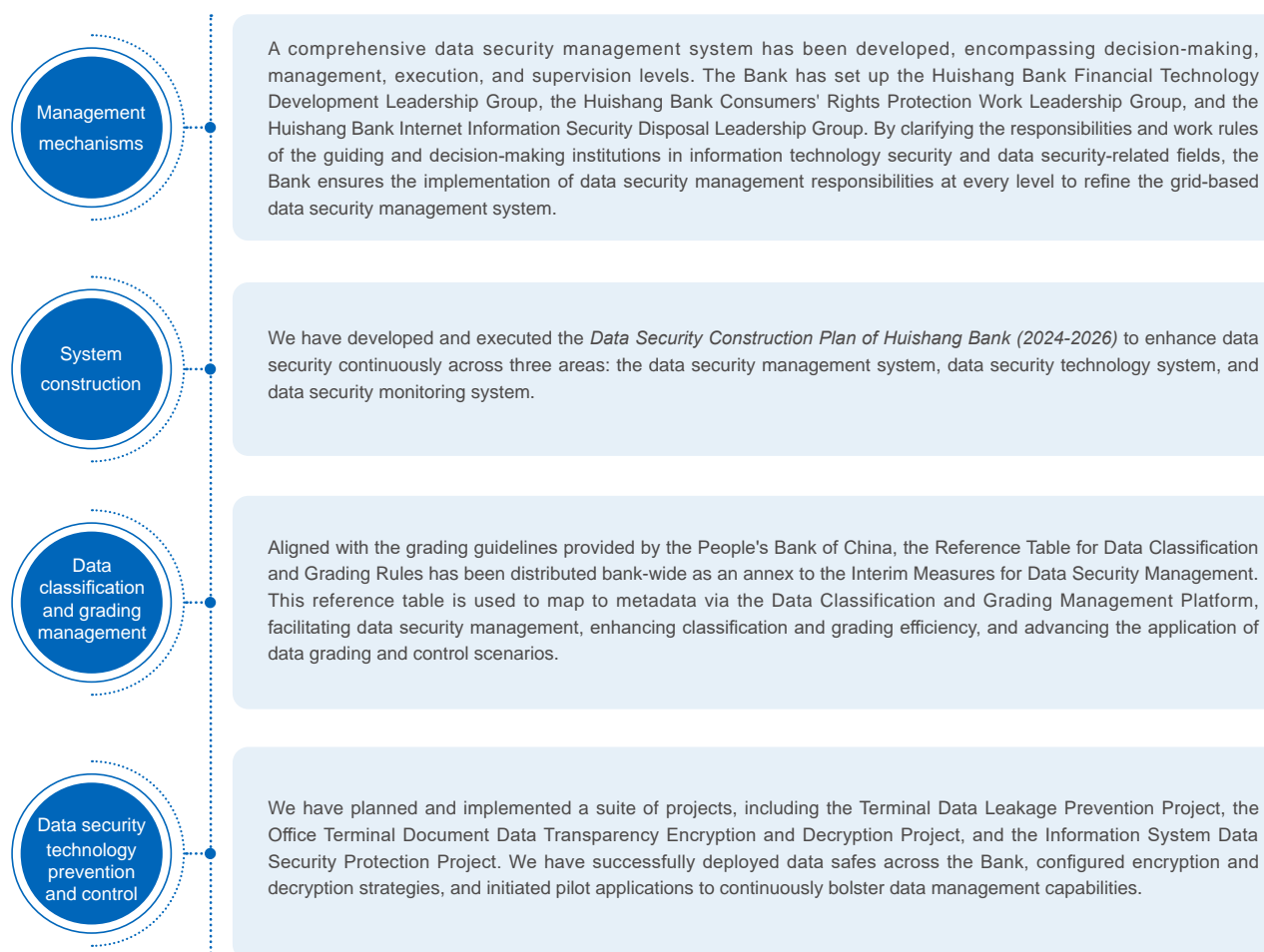
Protecting Information Security

Huishang Bank continues to enhance its information security management level. In 2024, it further strengthened and improved its information protection mechanisms by optimizing organizational management structures, reinforcing institutional norms and facilities, and upgrading the protection levels of core systems. These measures have led to the formation of a grid-based security management mechanism covering the entire data lifecycle, significantly improving the effectiveness of information asset protection.

In compliance with laws and regulations such as the *Law of the People's Republic of China on Guarding State Secrets*, the *Regulation on the Implementation of the Law of the People's Republic of China on Guarding State Secrets*, the *Cybersecurity Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*, we formulated relevant systems and plans such as the *Archives Management Measures of Huishang Bank*, the *Information Technology Security Management Measures of Huishang Bank*, the *Interim Measures for Data Security Management of Huishang Bank*, the *Implementation Rules for Data Extraction of Huishang Bank*, the *Office Desktop Information Security Management Specifications of Huishang Bank*, the *Emergency Plan for Data Security Incidents of Huishang Bank*, the *Technical Specifications for Data Desensitization of Huishang Bank*, the *Implementation Rules for Security Management of Information System Data Permissions of Huishang Bank*, and the *Data Security Risk Assessment Specifications of Huishang Bank*. These policies and plans specify regular management standards of financial information and handling processes for unexpected information leakage, to effectively reduce the risk and mitigate consequences of information leakage. In an attempt to improve information security management, we appoint data security officers across the Bank. They are responsible for taking data security measures and further refining the data security grid management system.

Strengthening the data security defense system

Huishang Bank consistently prioritizes data security as a key task in driving the Bank's high-quality development. The Bank actively develops and refines its data security protection system, implements security control measures throughout the entire data lifecycle, and continuously improves its data security protection mechanisms.



Supervision and audit

We have conducted regular special audits focusing on anti-money laundering management, credit reporting management, consumer rights protection, and similar areas. We have also maintained ongoing attention to personal information security management during the Bank's internal control testing and certain economic responsibility audits, ensuring timely supervision and the advancement of rectifying audit-identified issues and weaknesses in management.

Data security culture construction

We have leveraged the Zhiniao platform to provide employees with multiple data security training sessions, covering topics such as "Data Security Management in Commercial Banks", "Data Security, Awareness First: Insights from Violation Cases", and "Data Security Laws and Regulations and Security Awareness Training" to enhance the overall data security awareness within the Bank.

The network security operational capability continues to improve. In 2024



we blocked a total of **24,150** IP addresses, defended against **620,567** attacks,



and addressed **382** cybersecurity incidents. We identified **246** security vulnerabilities, tackled

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"phishing" sites, and shut down **17** counterfeit apps, effectively mitigating security risks and

consistently enhancing the security control level.

Enhancing the development of the disaster recovery system

Huishang Bank is actively advancing the construction of disaster recovery centers, gradually widening the reach of its dual-active information systems, and consistently refining the framework of the disaster recovery system with "three centers in two cities". In 2024, the Bank successfully completed a real switching for disaster recovery of nine systems, including the core system, within the same city. Additionally, six systems achieved dual-active operations, and five underwent dual-active transformation and commissioning. These efforts effectively verified the capability of the same-city disaster recovery systems to assume control over production operations, facilitated the optimization and adjustment of the disaster recovery architecture, and enhanced the Bank's management of information technology business continuity.



Strengthening data protection throughout the entire process

Huishang Bank has introduced the Interim Measures for Data Security Management of Huishang Bank, defining the organizational structure for data security management, establishing principles for data security management, and setting forth rules for data security classification and grading. It also presents management standards and requirements for securing data across its entire lifecycle, including stages such as data collection, transmission, storage, utilization, deletion, and destruction.

During the data collection process

when personal information is collected directly through the app, authorization from the individuals whose information is being collected must be obtained through the terms of agreements such as the *Huishang Bank Electronic Banking Customer Service Agreement (Individual)* and the Privacy Policy. Before collecting data through external suppliers, the Bank conducts an assessment to clarify the scope, frequency, and purpose of data collection. It clearly defines both parties' responsibilities and obligations regarding data security via contracts or agreements to ensure that the introduction of external data is legal and compliant.

In the stages of data transmission and storage

security technologies and devices like firewalls and intrusion detection systems are used to ensure the security of the data transmission network. Additionally, a mechanism for evaluating and approving the release of sensitive information has been established. The transmission of data of security level 2 or above to external parties must undergo evaluation and receive approval and authorization. Such data must be transmitted using methods such as data encryption and secure transmission channels.

In the data utilization phase

the Bank has established rules for identifying sensitive customer data, optimized data leakage prevention (DLP) strategies, and achieved comprehensive deployment of office terminals across the Bank. We have also reinforced the management of data transmission channels, and monitored and safeguarded the flow of sensitive data, thereby continually enhancing the Bank's data security control for office terminals. Additionally, we have continuously promoted cloud desktop application scenarios to facilitate various functions, such as technology operation and maintenance, data queries, emergency office, and system development, in the cloud desktop. This approach ensures compliance with non-local data policies and effectively mitigates the risks of sensitive data leakage.

During the information destruction phase

techniques such as media degaussing, disassembly, and shredding are utilized to promptly delete and destroy data retained on media, thereby averting the threat of information leakage due to malicious recovery attempts.

By the end of 2024,



Huishang Bank completed the inspection of data security risks across **5** systems, including the risk mitigation and customer risk early warning management systems, covering **15,383** functional items. Additionally, it conducted pre-reviews of data security architecture for **35** newly developed systems and evaluated **20** data travel security risks.



【Case: Enhancing the Emergency Response Capability of Information Systems】

In 2024, Huishang Bank revised and completed 22 specialized emergency plans for information systems, which cover critical areas such as information systems, system software and hardware, and networks. Simultaneously, transaction link tracking technology was implemented in 10 systems, including the WeChat banking system and online loans system. This enhanced the precision of risk handling by enabling real-time analysis of transaction logs and the visual display of business process diagrams. The deployment of full-traffic situational awareness equipment was completed across 21 branches of the Bank, establishing a round-the-clock network security monitoring mechanism. This approach has efficiently identified and intercepted malicious network activities, significantly boosting the response and handling efficiency of network security incidents.



04

Green Development



Advancing Green Finance to Support Dual Carbon Goals

In the global effort to address climate change and accelerate green transformation, China's carbon peaking and carbon neutrality goals (the "dual carbon" goals) have emerged as a vital guide for the future development of mankind and an important strategic roadmap for the country's sustainable development and ecological progress. As an important force in the financial sector, Huishang Bank deeply recognizes its mission and responsibility in this green transformation journey and is fully committed to aligning itself with the national green development strategy. The Bank has embedded green finance principles into all aspects of its operations and management, taking concrete and proactive steps to support the realization of the dual carbon goals.

Huishang Bank has actively embraced green finance policies at both national and local levels, positioning green finance as a strategic pillar across the organization. It has made significant strides in green credit, green investment, and green investment banking, continuously enhancing its capabilities in green financial services. The Bank remains committed to improving its green finance management system, building dedicated green finance teams, expanding its portfolio of green financial products, and engaging in important areas, including national reserve forest development, water resource conservation and utilization, and ecological environment restoration to contribute to green development. In its operations, the Bank is dedicated to reducing the environmental impact of its business activities, actively contributing to the building of a beautiful China and safeguarding a future where green mountains remain, industries flourish, and prosperity endures.



Environmental Risk Management

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Practicing Green Operations

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Environmental Risk Management

Climate and environmental risks are increasingly recognized as a critical source of financial risk. Due to the growing instability brought by global climate change, more frequent extreme weather events are affecting the development of many industries. As climate and environmental risks continue to intensify worldwide, financial institutions are facing increased exposure to such challenges. Since China set its targets for carbon peaking by 2030 and carbon neutrality by 2060, policy orientation has consistently advanced in the direction of green development. This shift is driving a green transformation in the financial industry. In the face of both opportunities and challenges, Huishang Bank is actively exploring new pathways for green development to stay aligned with the evolving demands of the era.

Amid complex and rapidly changing conditions, Huishang Bank is strategically planning and adjusting its course, closely monitoring policy directions and market trends, and promptly updating its strategic orientation as per the latest requirements to stay on track within the wave of green development. The Bank is strengthening internal team collaboration, dismantling departmental silos, and fostering a unified organizational effort to confront the challenges of climate change. In alignment with the framework set by the Task Force on Climate-related Financial Disclosures (TCFD), the Bank classifies financial risks arising from environmental and climate change risks into physical risks and transition risks. On one hand, Huishang Bank continues to reinforce its environmental risk management system and enhance its emergency response capabilities to effectively address unexpected physical risk events and ensure the sustainable development of its financial operations. On the other hand, the Bank is actively enhancing its foresight in identifying potential risk exposures, making full use of intelligent risk control systems and adopting a dual approach that combines online monitoring with offline inspections to continuously strengthen the early warning and governance of product risks across its green finance business.

As society's concern and demand for green development continues to grow, green industries are rapidly emerging, creating new business opportunities for the financial industry. In the process of actively identifying environment- and climate-related risks, Huishang Bank has come to a deeper understanding that providing financial services related to climate change and green industries can generate new drivers of growth for the Bank. To this end, the Bank continues to closely follow policy developments in both green finance and transition finance, intensifying its support for major green and low-carbon projects, and proactively guiding credit resources toward energy-saving, emissions-reduction, low-carbon and environmentally friendly enterprises and projects. At the same time, it is advancing the innovation of green financial products and services, steadily improving a multi-tiered product system that covers green credit, bonds, investments, leasing, and more. The Bank is also promoting the application of financial technology (Fintech) to empower the development of green finance, accelerating the establishment of a green finance management system. It is also continuously optimizing its green operation practices, striving to achieve low-carbon and sustainable growth in its internal operations.

Practicing Green Operations

As green development becomes increasingly embedded in public consciousness, promoting green operations has become imperative. With a long-term development perspective, Huishang Bank strictly adheres to the Environmental Protection Law of the People's Republic of China and other relevant laws and regulations, incorporating environmental goals into its daily operations. The Bank continuously enhances the depth, scope, and precision of its energy and resource utilization, striving to achieve green, low-carbon, and sustainable operations.

Reducing Emissions

Huishang Bank is actively advancing its emission reduction efforts by monitoring emissions and waste generated during daily operations, advocating for paperless office practices, and actively implementing measures to minimize the environmental impact of its operations. Specific actions include promoting the double-sided use of office paper to effectively reduce waste, establishing standardized rules and procedures for the procurement, requisition, storage and management, recycling, and disposal of office supplies, and using the OA system for document circulation. The Bank also encourages remote working arrangements. During the reporting period, a total of 250 video conferences were held, effectively reducing the unnecessary business travel of employees and associated emissions.



Huishang Bank strictly complies with the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*. All waste from office buildings is categorized and managed accordingly. Non-recyclable waste is collected and disposed of by sanitation companies on a scheduled basis, while recyclable waste is picked up regularly by dedicated recycling service providers.

As a financial institution, Huishang Bank's routine operations do not produce industrial wastewater, waste gas, or hazardous waste. The small amount of domestic wastewater generated from office activities is properly treated and discharged in accordance with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations.

The primary sources of Huishang Bank's greenhouse gas (GHG) emissions are emissions from purchased electricity and the combustion of fossil fuels, like gasoline used by the Bank's business vehicles. The Bank has adopted a range of practical measures to promote energy conservation and reduce emissions. These include encouraging electricity saving, replacing conventional lights with LED ones, improving energy management during operations, and enforcing stricter controls on vehicle usage. In 2024, Huishang Bank replaced outdated fuel-powered official vehicles with new energy vehicles, successfully upgrading 37 vehicles across the organization. This move significantly reduced carbon emissions caused by vehicle movement and marked further progress toward green operations.

Huishang Bank is committed to integrating the development of electronic banking with environmental protection. By expanding access to online banking, mobile banking, WeChat banking, self-service banking, and telephone banking services, the Bank continues to diversify its electronic banking products and services, actively promoting its green and digital operations.



【Case: Huishang Bank's Head Office Successfully Hosts the 2024 "Zero Waste Day" Public Welfare Event to Promote Environmental Protection Awareness】

On March 29, 2024, Huishang Bank's head office successfully held the 2024 "Zero Waste Day" Public Welfare Event, jointly organized by the Logistics Support Center and Vanke Property. The event featured four themed activities: comprehensive publicity, idle item exchanges, low-cost charity sales, and material donations. Through the display of promotional posters and energy-saving labels, the event promoted and advocated for the environmental protection concept. Staff were encouraged to exchange unused items to minimize waste, participate in charity sales, and donate both materials and proceeds to the Hefei Welfare Orphanage for children with disabilities. The event resulted in the collection of 269.36 kg of clothing, 42.32 kg of toys, 14 kg of shoes, 56.8 kg of miscellaneous items, 342 books, and a meaningful amount of charitable proceeds.

This event not only delivered warmth and support to the children of the welfare institution, but also gave employees across the head office a deeper understanding of the "zero waste" lifestyle. It fostered a stronger awareness of increasing incomes while cutting down expenses, helping embed green concepts into everyone's mind. The event transformed environmental protection from concept into conscious employee action, encouraging everyone to start with small changes, reduce waste, lighten the Bank's environmental footprint, and contribute to long-term sustainable development.



Performance Highlights

Emissions	Unit	2024	2023	2022
Total GHG emissions (Scopes 1 and 2)	tCO _{2e}	25,212.14	24,203.13	23,376.85
Direct GHG emissions (Scope 1)	tCO _{2e}	2,518.58	2,965.16	2,884.83
Including: natural gas emissions	tCO _{2e}	1,612.99	1,727.20	1,828.93
Including: gasoline emissions	tCO _{2e}	905.59	1,237.96	1,055.90
Indirect GHG emissions (Scope 2)	tCO _{2e}	22,693.55	21,237.97	20,492.02
Including: purchased electricity emissions	tCO _{2e}	22,693.55	21,237.97	20,492.02
Per capita GHG emissions	tCO _{2e} /employee	4.45	3.25	4.41
Wastewater discharge	10,000 tons	13.81	21.52	14.24
Total non-hazardous waste emissions	tons	65.75	92.80	81.81
Non-hazardous waste emission density	tons/employee	3.2×10 ⁻²	5.5×10 ⁻²	4.0×10 ⁻²

Notes:

1. The statistical scope for key environmental performance indicators related to resource use covers the data of Huishang Bank's head office and branches. (Among them, the total volume and intensity of non-hazardous waste emissions are based on the head office's data only.)
2. Based on the nature of operations, the Bank's GHG emissions are primarily derived from direct emissions (Scope 1) from the combustion of fossil fuels, including natural gas and gasoline, mainly from the Bank's business vehicles, and indirect emissions (Scope 2) from the use of purchased electricity.
3. Huishang Bank presents all GHG emissions using carbon dioxide equivalent (CO_{2e}). For various energy sources, the Bank adopts the official parameters provided in the Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Public Building Operators issued by the National Development and Reform Commission (NDRC), including the low calorific value, carbon content per unit of calorific value, and fuel oxidation rate. Specifically, the low calorific value for natural gas is set at 389.3 GJ/t, and for gasoline at 44.8 GJ/t. Emissions from purchased electricity are calculated using the national grid average emission factor of 0.5366 tCO₂/MWh. Global Warming Potential (GWP) values are sourced from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), published in 2022. In addition, Huishang Bank has restated its Scope 1, total, and per capita GHG emissions for the years 2022 and 2023.
4. The hazardous waste generated during the Bank's operations mainly consists of a small number of used toner and ink cartridges from office printing equipment. These are all properly recycled and disposed of by suppliers and pose no material impact. Therefore, KPI A1.3 (total amount of hazardous waste produced) is not disclosed in this Report.
5. Water and electricity consumption primarily stem from the Bank's data centers.
6. The 2024 headcount includes employees from both the head office and branches, as well as outsourced personnel such as property management personnel.
7. The 2024 wastewater discharge volume is calculated using an effective contaminant ratio of 0.8, as per the Manual of Pollutant Discharge Coefficients for Domestic Pollution issued by the Ministry of Ecology and Environment of the People's Republic of China.

Conserving Resources

Huishang Bank strictly adheres to the Energy Conservation Law of the People's Republic of China, and places the enhancement of energy use efficiency at the core of its operational management. From managing daily energy consumption in office premises to streamlining resource deployment across business processes, the Bank continues to strengthen the precision and effectiveness of energy and resource management. These efforts aim to establish a resource-efficient operating model through effective actions.

• Ongoing Promotion of Paperless Counter Services

In response to the industry-wide trend of paperless banking, Huishang Bank has actively advanced paperless operations at its counters, which begins with personal banking services. By providing a system where customers sign and confirm transactions on digital interfaces instead of signing on paper vouchers, the Bank has enabled the electronic storage of business vouchers and customer signatures, eliminating the need for physical copies to be stored at its outlets. This transformation not only delivers a more convenient and efficient service experience for customers—freeing them from cumbersome paperwork—but also reduces operational costs at the source by eliminating the need for voucher printing, distribution, organization, scanning, and archiving. The shift to a paperless system has also greatly streamlined staff workload by reducing steps such as voucher filling, printing, reviewing, binding, and scanning. As a key initiative supporting green operations, the paperless system allows both time and labor savings. In 2024, all personal banking transactions at counters were processed in a paperless manner. The average paperless substitution rate for all counter services reached 85%, marking a significant step toward green operations driven by technological innovation.

• Green Energy Consumption

Huishang Bank is dedicated to creating a green and low-carbon operational environment. By combining refined management with technological upgrades, the Bank has comprehensively improved energy utilization efficiency and reduced consumption across its operations, contributing to long-term sustainability. Key initiatives include:



Adjust air conditioning usage in real-time according to weather changes and set strict limits on temperature to minimize electricity and natural gas consumption.



Reduce standby time for office equipment such as computers, printers, and photocopiers.



Maximize the use of natural light in office areas to reduce electricity consumed for lighting.



Set up elevators in an intelligent manner to avoid separate operations without passengers.



Urge property management personnel to enhance equipment maintenance.



Increase inspection of buildings to avoid unnecessary lighting in daylight or leaving lights on all day.






Centralize lighting management and promote the use of LED energy-saving lamps and inductive switches in public areas—for instance, in 2024, the Bank replaced 960 lights in its underground garage with inductive LED energy-saving lamps to effectively strengthen the control of energy use mechanisms.



Enhance monitoring via the Bank's energy consumption analysis system, enabling the timely detection and resolution of abnormal energy consumption data.

● Saving Water



Huishang Bank is committed to establishing a water-efficient operational environment. By combining technological upgrades with optimized management, the Bank has comprehensively improved the efficiency of water resource utilization, reduced overall consumption, and demonstrated its strong commitment to sustainable development. Key initiatives include:



➤ Install induction faucets in restaurants and restrooms.

➤ Strengthen inspection and maintenance of water pipelines to promptly detect leaks.

➤ Strengthen water management in key areas by posting clear signage and conducting routine inspections to eliminate any instances of "water running out, bubbling, leaking or dripping".



➤ Enhance resource utilization by adopting a rain and sewage water diversion system.

➤ Enhance monitoring via the Bank's energy consumption analysis system, enabling the timely detection and resolution of abnormal water usage data; for instance, Huishang Bank's head office achieved a 43.5% reduction in water consumption in 2024 compared to the previous year.

Performance Highlights

Item	Unit	2024	2023	2022
Total energy consumption	MWh	50,850.32	46,487.47	45,645.69
Total direct energy consumption	MWh	8,558.94	9,247.47	9,713.69
Including: gasoline	10,000 L	39.8	54.4	46.4
Including: natural gas	10,000 m3	74.5	79.8	84.5
Total indirect energy consumption	MWh	42,291	37,240	35,932
Including: purchased electricity	10,000 kWh	4,229.1	3,724.0	3,593.2
Total energy consumption per person	MWh/person	8.97	6.24	8.61
Water consumption	10,000 tons	17.3	26.9	17.8
Water consumption per person	tons/person	30.5	36.08	33.5

Notes:

1. The statistical scope for key environmental performance indicators related to resource use covers the data of Huishang Bank's head office and branches.
2. The total energy consumption is calculated based on the electricity usage, fuel consumption, and the default values of fossil fuel-related parameters listed in Attached Table 1 to the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Public Building Operators* issued by NDRC.
3. According to the energy consumption conversion rates: 1 L of gasoline produces an energy equivalent of 0.7 kWh, while 90 m3 of natural gas produces an energy equivalent of 1 MWh.
4. KPI A2.5 (consumption of packaging materials in total for finished products) is not applicable to the Bank since its operations do not involve the usage of packaging materials.
5. Water and electricity consumption primarily stem from the Bank's data centers.
6. The 2024 headcount includes employees from both the head office and branches, as well as outsourced personnel such as property management personnel.

Response to Climate Change

In light of increasingly severe global climate change, the potential operational risks arising from extreme weather events, such as typhoons, rainstorms, and floods, have become increasingly prominent, as they may significantly impact Huishang Bank's normal operations. Based on a comprehensive consideration of stable and resilient operations, the Bank adopts a rigorous and pragmatic approach to actively engage in climate change response practices. By integrating professional resources and applying scientific methods, the Bank has enhanced the identification and assessment of climate risks and opportunities, continuously improved management measures related to emergency plans, and comprehensively strengthened emergency response capabilities. It has formulated emergency plans, such as the Emergency Response Plan of Huishang Bank for Natural Disasters and Emergency Response Plan of Huishang Bank for Flood Control, and taken effective measures to support green development and sustainable operations.

In 2024, the Bank continued to advance its "Safe Huishang Bank" initiative to reinforce safeguards against extreme weather, such as typhoons, rainstorms, and floods, and further refine the management of safety and security work. These efforts ensure that in the face of sudden climate events, the Bank can respond quickly, orderly, and efficiently to protect the stability and continuity of its business operations. Through resilient operations, Huishang Bank actively responds to climate change and safeguards the secure and stable functioning of its business.

Strengthening Green Procurement

According to applicable national laws, regulations and policies, including the Bidding Law of the People's Republic of China and the Regulation on the Implementation of the Bidding Law of the People's Republic of China, Huishang Bank has enhanced the regulated management of procurement on supplier admission, annual supplier assessment, and other aspects. The Bank is committed to completing high-quality centralized procurement, continuously improving the centralized procurement system, and actively rectifying issues identified in audits and inspections by the CPC Anhui Provincial Committee. To effectively mitigate procurement risks, it has formulated seven internal policies, including the *Detailed Rules of Huishang Bank on Centralized Procurement Management*, which further define the supplier management responsibilities of relevant departments across the Bank's head office and branches. The supplier evaluation model has been optimized by emphasizing more on the daily evaluations of suppliers and ensuring the accountability of suppliers for branches, and a new-generation centralized procurement system has been launched to manage the full lifecycle of procurement projects. As of the end of 2024, the Bank had a total of 1,317 centralized procurement suppliers, of which 706 were based in Anhui Province and 611 were outside the province.

At the supplier admission stage, Huishang Bank adheres to the concept of green environmental protection, strictly follows green environmental protection standards, and gives priority to the procurement of energy-saving and eco-friendly products. Based on the specific conditions of projects, suppliers that have passed environmental and quality management system certifications are given preferential consideration for admission. We also require suppliers to explain their green, energy-saving, low-carbon and environmental protection practices, and specifically require that tender documents be printed on both sides with simple decoration. In terms of supplier supervision, we have formulated the *Detailed Rules of Huishang Bank on the Management of Centralized Procurement Suppliers' Misconduct (Trial)*, established and improved the supplier adverse information notification mechanism, and conducted daily supervision and annual evaluations according to the supplier's product performance, service ability, service efficiency and other indicators. We have urged suppliers to improve the quality of supplied products and services by strengthening the management of suppliers' misconduct. In terms of supplier evaluation and rectification, suppliers with deficiencies in product supply and services are required to submit rectification plans and implement them to improve product and service quality. In 2024, the Bank conducted an annual evaluation of all 1,317 suppliers, achieving a 100% review rate. Of these, 1,040 were rated Grade A, 262 Grade B, 14 Grade C, and 1 Grade D.





05

Harmonious Coexistence



Fulfilling Social Responsibility and
Sharing a Better Life

At Huishang Bank, talent is the cornerstone of our continued progress and organizational excellence. Guided by the concept of "attracting talents with ambition, cultivating talents with potential, and appointing talents with competence", we are committed to safeguarding the legitimate rights and interests of our employees, building transparent and equitable career development pathways, and providing comprehensive professional support. Through cultivating an open and inclusive corporate culture, we aim to energize our teams and develop a high-caliber, professional, and innovation-driven workforce that supports our high-quality growth. We also value win-win collaboration with all partners, foster a collaborative ecosystem across all sectors, and uphold our social responsibility through active engagement in public welfare initiatives, contributing to the harmonious development of society.



Promoting Employee Development

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Engaging in Social Welfare

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Promoting Employee Development

The transformation and development of Huishang Bank are inseparable from the dedication and efforts of its employees. The Bank strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor* and other labor-related laws and regulations of China, and has formulated the *Measures for the Management of Employees' Compensation of the Huishang Bank*, the *Measures for the Management of Employee Recruitment of the Huishang Bank*, the *Measures for the Management of Employee Demission of the Huishang Bank*, the *Attendance Management Policy for the Huishang Bank* and other management systems to safeguard the legitimate rights and interests of employees. In 2024, the Bank continued to update the systems on attendance, demission, performance assessment, and compensation to safeguard the legitimate rights and interests of employees through well-established systems and mechanisms.

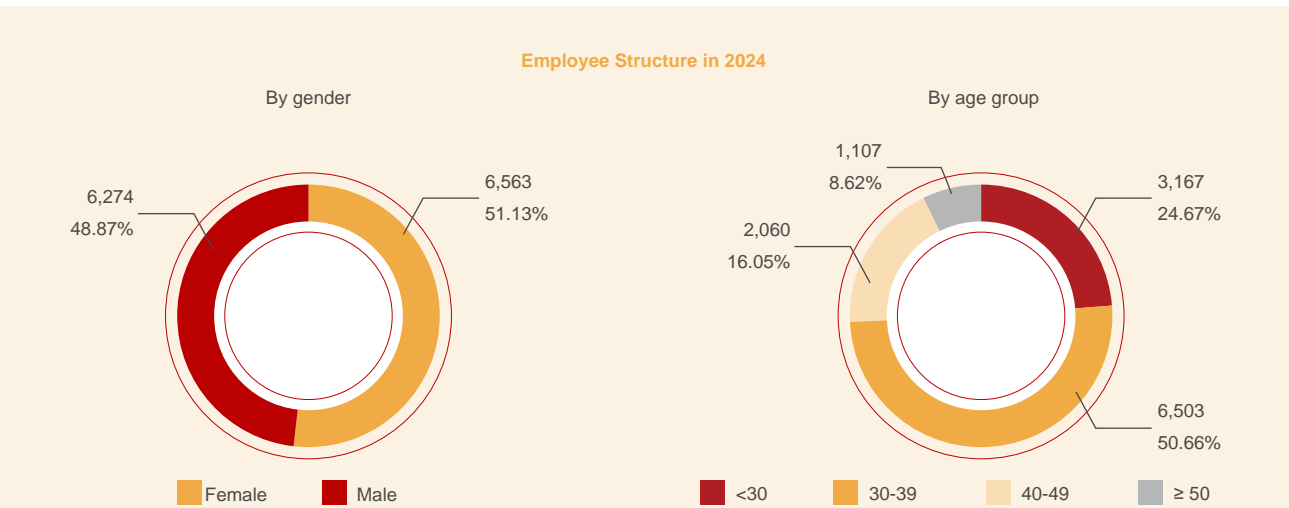
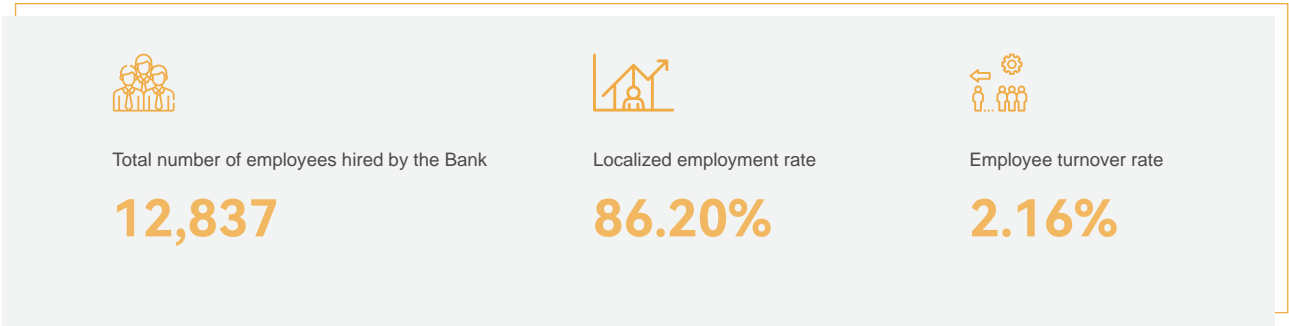
Recruitment

Following the principle of "setting up posts and prescribing staffing quota; filling vacant posts with qualified personnel; upholding equality, fairness and openness and practicing two-way selection; selecting the superior and ensuring quality", Huishang Bank continues to regulate and enhance its employee recruitment management, improve market-based talent selection mechanisms, optimize recruitment procedures, and support workforce restructuring and optimization. These efforts help attract and select top talent and provide strong talent support for the Bank's talent strategy.

In 2024, Huishang Bank continued to diversify its talent recruitment channels and held multiple seminars for management trainees. It maintained irregular communication and exchanges with these trainees through online platforms such as WeChat and internal chat tools. The Bank also conducted on-site research at branches where management trainees were undergoing rotational assignments, to better promote and guide the training program, understand the current status of the rotations, and gather feedback from hosting branches. These efforts ensured that the management trainee program was implemented thoroughly and effectively, injecting fresh energy into the workforce.

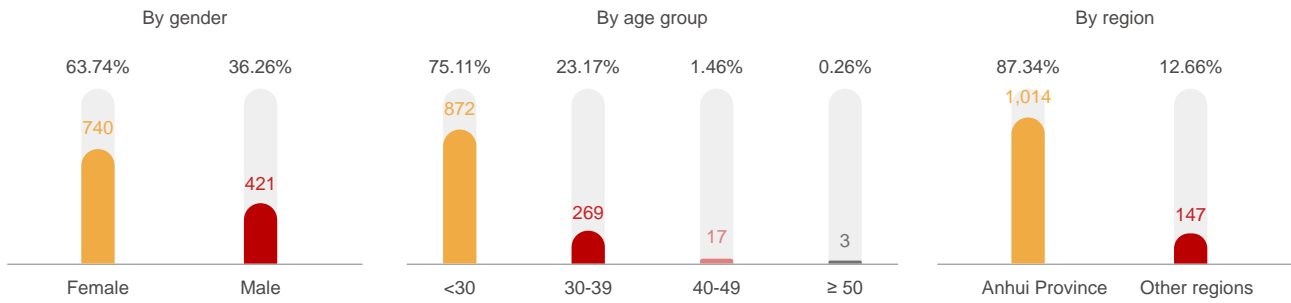
By the end of 2024, Huishang Bank had a total of 12,837 full-time employees¹. The total number of the Bank's employees includes all personnel across the head office, branches, and affiliated institutions.¹ The majority were under the age of 30 or between 30-39 years old. More than 93% held a bachelor's degree or higher, and over 19% had intermediate or senior professional titles. The localized employment rate reached 86.20%. In 2024, the Bank hired 1,161 new employees and had 284 employee departures, resulting in a turnover rate² of 2.16%.

Total number of employees hired by the Bank: 12,837 Localized employment rate: 86.20% Employee turnover rate: 2.16%

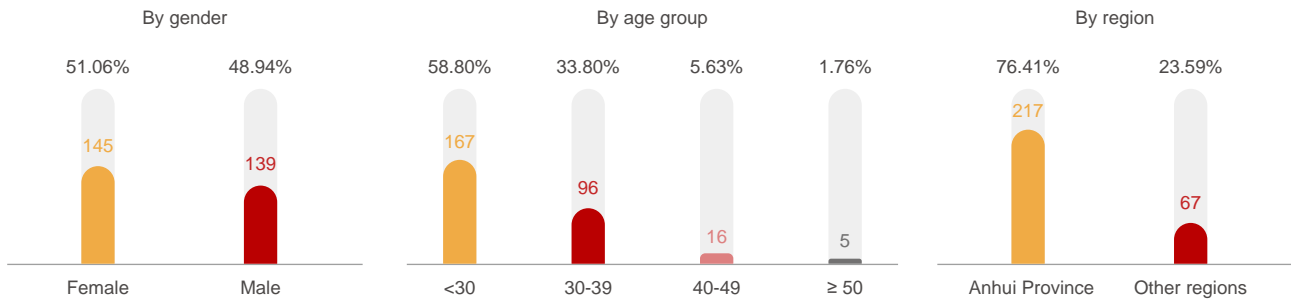


¹The total number of the Bank's employees includes all personnel across the head office, branches, and affiliated institutions.
²Employee turnover rate = Number of employees who left during the reporting period/(Total number of employees at the end of the period + Number of employees who left during the reporting period) × 100%.

Employee Structure in 2024



Employee Structure in 2024



Equality and Diversity

Huishang Bank is committed to creating a diverse and inclusive work environment. Upholding the principle of openness, fairness, and equality, we ensure that every employee enjoys equal career development opportunities and a harmonious workplace. We firmly prohibit any form of discrimination, whether based on ethnicity, gender, religion, physical condition, age, health status, marital status, childbirth status, or sexual orientation. In 2024, we continued to expand recruitment channels for diverse talent and actively attracted individuals from different backgrounds to join our team, including 234 ethnic minority employees and 16 employees with disabilities. We also actively support the resettlement of veterans.

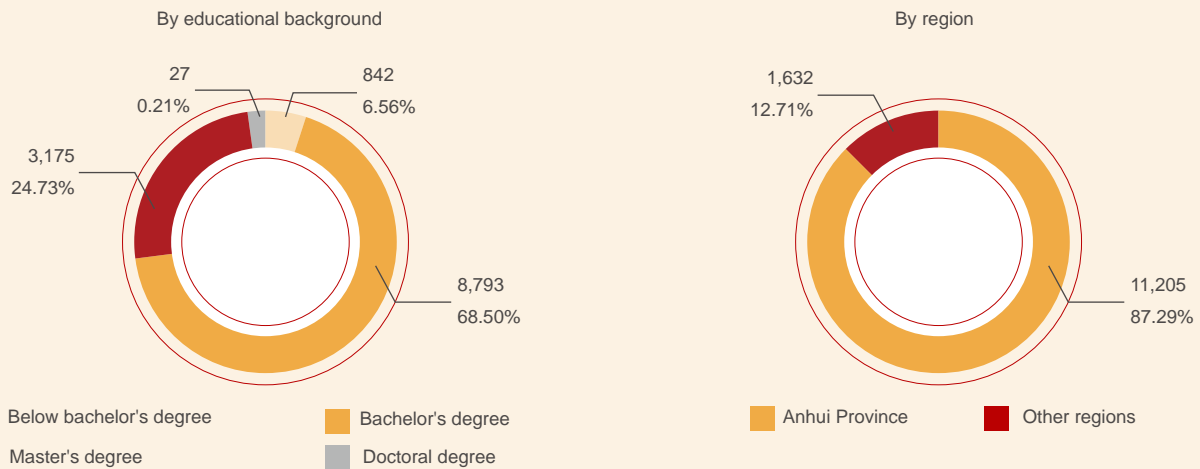


including **234**
ethnic minority employees



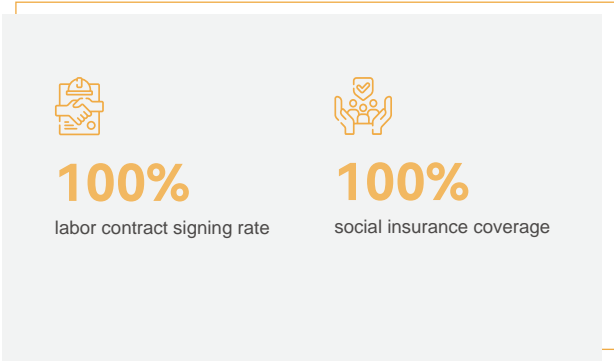
16
employees with disabilities

Employee Structure in 2024



Labor Standards

Huishang Bank strictly complies with the *Labor Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, and other relevant laws and regulations, and maintains a zero-tolerance policy toward the employment of child labor. To prevent the inadvertent employment of child labor, the Bank has established a rigorous employment review process to thoroughly check the authenticity of candidates' identification documents. If a case of child labor is identified, the Bank will immediately terminate the labor contract in strict accordance with applicable laws and regulations as appropriate and ensure the child is safely returned to his/her place of residence under the care of his/her parents or legal guardians, thereby protecting his/her legitimate rights and interests. The Bank strictly abides by national laws and regulations, stipulates the working hours of employees, and resists all forms of forced labor. As of the end of 2024, the Bank had found no cases of child labor or forced labor. Throughout the year, the Bank achieved a 100% labor contract signing rate and 100% social insurance coverage, fully safeguarding employees' fundamental rights and interests.



Compensation Management

Establishing a scientific and reasonable compensation system is not only a key measure for Huishang Bank to promote sustainable development, but also a vital step to motivate employees and enhance its competitiveness. Huishang Bank is committed to building a scientific, fair, and transparent compensation management system that places high importance on talent incentives and development. We regard the compensation and benefits system as a vital strategy for attracting, retaining, and motivating outstanding employees. In compliance with relevant national laws and regulations, we provide all employees with five social insurances and one housing fund, supplementary medical insurance, corporate annuities, and other benefits, striving to offer a comprehensive welfare security system.

In 2024, we continued to optimize our compensation management system by strengthening foundational policies related to compensation management, guiding affiliated institutions in enhancing their internal compensation management mechanisms, and prioritizing resource allocation to frontline teams. Additionally, we improved the supplementary medical security plan to deliver higher-quality, comprehensive medical services for all employees, reflecting our commitment to enhancing employee well-being and boosting their job satisfaction.

Proportion of Employees Receiving Regular Performance and Career Development Assessments in 2024

Type	By gender	By title
Indicator	Female	100
	Male	100
Proportion	Senior management employees	100
	Middle management employees	100
	Junior employees	100

Democratic Communication

Huishang Bank advocates for democratic communication and maintains transparent communication channels for employees. It has thoroughly implemented the employee representative meeting system, held regular meetings of Workers' Congress and Trade Union Members' Congress, and fully leveraged the roles of employee and trade union representatives. The Bank promotes employee representatives' participation in formulating policies concerning employees' vital interests, effectively safeguarding employees' rights to know, participate, express, and supervise. In 2024, the Bank convened the first and second joint meetings of Workers' Congress and promoted the development of several key policies concerning employees' vital interests, including the *Implementation Rules for Employee Compensation Management of Huishang Bank*, *Measures for the Management of Dispatched Workers of Huishang Bank*, *Measures for the Management of Designated Position Employees of Huishang Bank*, *Measures for the Management of Employee Demission of the Huishang Bank*, *Attendance Management Policy for the Huishang Bank*, *Abnormal Behavior Management Measures for Employees of Huishang Bank*, and *Annual Performance Assessment Measures for Employees of Huishang Bank*. These efforts significantly enhanced employees' democratic involvement in corporate governance.

In 2024, the Bank had a trade union established at every single business location with all employees signing in. In addition, all departments of the Bank have prepared a variety of anonymous feedback and satisfaction surveys to better listen to the voices of employees. Employees can also submit their thoughts and suggestions via proposals collection, the "Employees' Home" intranet forum, and the "Code Makes It Quicker" WeChat mini program.



the Bank had a trade union established at every single business location with all employees signing in

100%

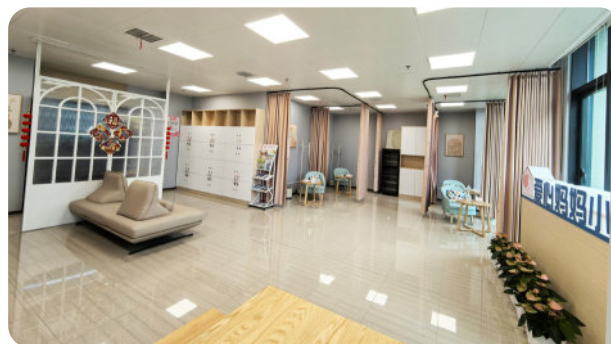


all departments of the Bank have prepared a variety of anonymous feedback

100%

Employee Care

Huishang Bank provides thoughtful care to various employee groups, including female employees, those facing difficulties, and customer service personnel. In line with the Special Provisions of Anhui Province on Labor Protection for Female Employees and the Program for the Development of Women of Anhui Province (2021-2030), the Bank actively promotes initiatives to support female employees. In 2024, the Bank allocated dedicated funds to safeguard the special rights and interests of female employees at its head office and branches. It also actively organized directly affiliated organizations to hold a Women's Day event—the "2024 Goddess Garden Party", which attracted nearly 250 female participants. The Bank closely monitored the protection of women's rights and interests, collected suggestions and opinions from female workers, and set up the maternity room—"Mom Care Center"—to effectively protect pregnant and postpartum female employees during their three critical periods. In accordance with the Implementation Opinions on Building a Harmonious Labor Relationship, the Bank also placed strong emphasis on supporting employees facing difficulties. A comprehensive investigation was conducted to assess the actual living conditions of employees in extreme poverty, and ahead of the Spring Festival, the Bank delivered care packages and support to 17 such employees, allowing them and their families to truly feel the warmth of the Huishang family. To further enhance employees' sense of belonging and happiness, the Bank continued to offer holiday greetings and care packages during national traditional festivals.



Mom Care Center



【Case: Huishang Bank's Directly Affiliated Organizations Successfully Host the 2024 Goddess Garden Party】

In the vibrant spring of March, Huishang Bank's directly affiliated organizations successfully held the 2024 Goddess Garden Party, bringing together over 250 female employees for a poetic and joyful spring outing by the shores of Chaohu Lake at the Liujiafan Scenic Area. The event kicked off at the 1952 Liangcang Cultural Creative Park in Liujiafan Cultural Tourism Town, where the female employees, dressed in traditional attire, added a touch of unique cultural charm to the scene. During the tea art experience, they observed Song Dynasty tea-whisking techniques, listened to the history of tea culture, and relaxed while enjoying refreshments and engaging in interactive exchanges. In the round fan painting session, they used delicate brushwork to create beautifully crafted round fans. The event also featured traditional games such as ring toss, riddle guessing, and pitch-pot, filling the air with laughter and camaraderie. The festive atmosphere offered a refreshing break and created lasting memories for all female participants.





【Case: Huishang Bank Holds Health Lectures to Promote Employee Well-being】

As competition in the banking industry intensifies, employees' mental health has become increasingly important for the Company's sustainable development. Huishang Bank attaches great importance to the physical and mental health of its employees and actively takes measures to help them relieve physical or emotional stress and improve work quality and efficiency. In 2024, by leveraging quality medical resources, the Trade Union at the head office level regularly organized mental health lectures on topics such as stress management, emotional regulation, and coping with job burnout. These seminars not only helped employees master scientific stress-relief methods, but also enhanced their psychological resilience, ensuring high-quality business development. As of the end of 2024, Huishang Bank had successfully held over 10 health lectures, which were well received by employees and effectively improved their sense of belonging and happiness.



【Case:Hefei Branch of Huishang Bank Holds Youth Book Sharing Session】

On the occasion of the 29th World Book Day, the Hefei Branch of Huishang Bank organized a youth book sharing session themed "Reading for Joy, Books as Company", which brought together 26 participants, including branch leaders and young employee representatives. During the event, young employees shared their thoughts on books such as *The Unlikely Pilgrimage of Harold Fry*, *Fate*, and *The Litchi Road*, highlighting the characters' beliefs, resilience, and wisdom. The head of Hefei Branch recommended books like *A Word of Advice for Young Cadres* and *Zeng Guofan*, emphasizing the importance of introspection for young cadres and the inspiration drawn from historical figures.

The event enhanced the branch's learning culture and sparked enthusiasm for reading. Young employees expressed their intention to turn knowledge into motivation and contribute to the branch's development.



Recreational and Sporting Activities

To foster a positive work environment and enhance employees' physical and mental health and work efficiency, Huishang Bank continues to improve the services of its Employee Activity Center. The Center consists of areas for calligraphy and painting, reading, fitness, chess and cards, and dining. Employees can relax through exercise, reading, and entertainment during breaks, and return to work in better spirits. In addition, the Bank actively organizes a variety of recreational and sporting activities such as parent-child events, walking activities, table tennis competitions, basketball competitions, badminton competitions, and riddle-guessing games. These activities enrich employees' cultural lives outside of work, improve their sense of happiness, and strengthen team cohesion.



Employee Fitness Activity Center



【Case: The Trade Union of Huishang Bank's Directly Affiliated Organizations Successfully Hosts the 2024 Family Sporting Event】

To support the growth of employees' children and expand platforms for parent-child communication, the Trade Union Committee of Huishang Bank's Directly Affiliated Organizations successfully held the "Dreams of Childhood, Charming Huishang" Family Sporting Event on the eve of International Children's Day. The event brought together 117 families and 138 children. The venue was filled with laughter and energy as parents and children teamed up for interactive games, enjoying moments of togetherness and joyful cooperation. Beyond the fun, the event deepened family ties and strengthened employees' emotional connection to the Huishang Bank family, reinforcing the Bank's commitment to building a caring and inclusive "Home for Employees".



【Case: Huishang Bank's Directly Affiliated Organizations Successfully Host the 2024 Walking Activity】

On May 18, 2024, the Trade Union Committee of Huishang Bank organized the walking activity titled "Always Following the Party, Forging Ahead on a New Journey" at Luogang Central Park in Hefei. Over 230 leaders and employees from the head office's directly affiliated organizations participated in the event in high spirits. The route covered approximately 5 kilometers, with designated check-in stations and refreshment points set up along the way to ensure participants received the necessary support while enjoying physical exercise. Through such events, employees can relax and recharge amidst their busy work schedules, returning to their work with greater passion and energy to contribute to the high-quality development of Huishang Bank.





【Case: Huishang Bank Successfully Holds a Table Tennis Competition to Promote Competition and Unity】

From September 7 to 8, 2024, Huishang Bank hosted a table tennis competition at the Anhui Provincial Fitness Center, drawing 154 participants from 18 grassroots trade unions across the Bank. Throughout the competition, participants embraced the Olympic spirit of striving for excellence, demonstrating teamwork and perseverance, and showcasing the energetic demeanor of Huishang Bank's employees. The event served not only as a platform for sports competition, but also as a bridge for communication among different branches. The spirit inspired during the competition was carried into daily work, contributing to the high-quality development of the Bank.



Training and Development

Huishang Bank attaches great importance to talent training. Centered around the goal of "building a bank with value and higher quality, we are systematically advancing the development of our leadership and staff teams, establishing a comprehensive training system and career development platforms. We remain committed to the leadership of the Party and strive to offer employees diverse and professional training content. We continuously strengthen systematic and targeted training for management talents to meet the needs of technological innovation and digital transformation. We are actively building a unique talent training program system aligned with the Bank's development needs and innovating mechanisms for education and training. Our training system covers employees of all age groups and career stages, with both online and offline programs tailored by type and level. By prioritizing the allocation of training resources to grassroots departments, frontline employees, and key talents, we aim to enhance the overall capabilities of our leaders and employees and provide strong intellectual and talent support for high-quality business growth.

To further promote the standardization, institutionalization, and scientific development of the Bank's education and training work, improve overall employee capabilities, and advance the Bank's high-quality development, we revised the *Internal Trainer Management Measures of Huishang Bank* after extensive feedback collection, thereby strengthening the management and utilization of internal trainers. We also issued the *Guiding Opinions of Huishang Bank on Education and Training Work in 2024* to align training understanding across the Bank, strengthen supervision and oversight across branches and business lines, and improve training mechanisms.

Huishang Bank continues to upgrade and optimize various learning platforms, fully leveraging "Internet Plus" technologies to expand access to high-quality education and training resources. Based on continuously improving the three training platforms of the "Training Center", "Huiyin Online School" and "Huiyin Academy", we have steadily promoted the development of several special training programs for many years, such as the special training on Party building, training on creating "Hui" brands and the project on building a learning bank. These efforts have provided strong guarantees for the Bank's high-quality development.



Highlights of education and training in 2024



Enhancing Party leadership and deepening political theory education

Firstly, by closely aligning with the key initiatives of the CPC Central Committee, the CPC Anhui Provincial Committee, and the Party Committee of the State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government regarding **Party discipline education**, and considering the actual situations of Huishang Bank, we **organized a dedicated reading class on Party discipline education at Huishang Bank**. Through systematic study and in-depth discussions, we aimed to enhance employees' discipline and rule awareness, improve their ability to apply laws and regulations, foster a clean and upright atmosphere, and promote the thorough and practical advancement of Party discipline education.

Secondly, in a prompt response to **fully embrace the spirit of the third plenary session of the 20th CPC Central Committee**, Huishang Bank quickly launched an online training program, mandating all cadres and employees to participate. **This training program comprised eight courses totaling 1,200 minutes**, positioning the study and deep comprehension of the third plenary session's spirit as a critical task.

Thirdly, following the *Action Plan for Huishang Bank to Cultivate and Promote Financial Culture with Chinese Characteristics*, Huishang Bank developed a plan for hosting a **special online training program on financial culture with Chinese characteristics** and issued a notice. The program incorporated unwavering adherence to the path of financial development with Chinese characteristics, insights from the Central Financial Work Conference and the Central Economic Work Conference, typical positive cases, negative lists for business management, and typical cases of disciplinary and legal violation. It consisted of 15 courses with a total duration of 210 minutes.

Fourthly, **studying, promoting, and implementing the spirit of General Secretary Xi Jinping's significant speech during his inspection of Anhui** was identified as a crucial political task for both the present and the foreseeable future. Using an "online + offline" approach, efforts were made to actively engage with and implement the ideas from his speech.

This training program comprised

8 courses

totaling

1,200 minutes

It consisted of

15 courses

with a total duration of

210 minutes.



Carrying out categorized and hierarchical training of key talents across the Bank

Over the year, **ten sessions of the "Big Vision"** forward-looking leadership lecture series for middle and senior management were organized to further enhance the Party spirit of middle and senior management at Huishang Bank, broadening their macro perspective, fostering cutting-edge innovative strategic thinking, and holistically bolstering Huishang Bank's overall competitiveness.

In collaboration with prestigious institutions such as the Party School of the CPC Central Committee, Tsinghua University, and Xiamen University, esteemed professors, industry experts, and elite professionals were invited to lecture, innovating the teaching formats. Key training projects under the "Hui" brand, such as **"Huizhuo", "Huiyang", "Huidun", "Huiying", "Huijing", "Huidao", "Huixing", "Huihang", and "Huiyun"**, were conducted in an orderly manner to continuously enhance the overall quality and business capabilities of the Bank's employees.



Focusing on business to support the development of business talents

To effectively enhance the **competency of newly appointed corporate business relationship managers** and facilitate their integration into their new roles, as well as to drive the development of the Bank's corporate business, Huishang Bank organized **training sessions specifically for these newly appointed corporate business relationship managers**. The course content covered nine modules, including corporate business, investment banking, small business banking, technology finance, transaction banking, financial accounting, credit review, compliance case for prevention, and risk management. These training sessions laid a solid foundation for the regular training of relationship managers.

Nine Modules

Corporate Business

Investment Banking

Small Business Banking

Technology Finance

Transaction Banking

Financial Accounting

Credit Review

Compliance Case for Prevention

Risk Management



Enriching training content to strengthen the development of versatile business talents

Firstly, to continuously **enhance the professional capabilities of the financial accounting line**, Huishang Bank organized "one lesson per week" and "one lecture per month" programs focusing on financial accounting expertise. Through offline discussions, expert lectures, and collaborative learning efforts, these activities facilitated the transformation of employees' learning outcomes and boosted their professional skills.

Secondly, in order to proactively execute the Bank's new five-year strategy driven by digital transformation, enhance the talent training and capability evaluation critical for this transformation, and facilitate the output of business-technology integration outcomes, we organized the 2024 **Digital Talent Training Camp**, which employed a tiered training model and emphasized the application of theory in real-world settings to comprehensively strengthen the development of our digital talent team.



Creating a learning organization atmosphere through competition and peer learning

Firstly, to cultivate a learning organization, Huishang Bank established a **differentiated and diversified points management system**. It printed and distributed the *Learning Points Management Plan*, defining the use of points in annual performance assessments and position evaluations, encouraging cadres and employees to engage in diverse learning activities during spare moments, and promoting an atmosphere of self-directed learning.

Secondly, by **distributing 122 articles on the Huiyin Academy's WeChat official account**, we enabled our Head Office, branches, and affiliated institutions to exchange best training practices, thus **creating a sound atmosphere of proactive and competitive learning** across the entire bank.

Thirdly, to implement the directive from bank leadership to "carry out multi-channel, multi-tier, and diversified education and training", we **optimized and enriched the online course system**, providing more comprehensive online course resources for all employees and boosting their enthusiasm for online learning.

Fourthly, in active response to the need for timely onboarding of all employees, we appropriately **increased the subjects and frequency of job qualification examinations** according to regulatory requirements and internal business development needs, providing examination resource support to enhance the professional capabilities of our employees.



Strengthening line team construction to enhance overall human resources management

To further improve the professional capabilities of in-service personnel in the Bank's human resources line, broaden their macro perspective, and enhance human resources management, Huishang Bank organized a special training program in 2024 to boost the capabilities of its human resources line. The training was attended in phases by the Human Resources Director, the Head of the Human Resources Department at the Head Office, heads of branches and affiliate institutions, senior managers, department heads, and key business personnel. The training, based on thorough research, included courses on Party discipline education, business explanation, the digital transformation of human resources in commercial banks, and employment risks, and featured seminar-style teaching and experience sharing. The training was well-organized, offering rich course content and diverse teaching methods, which led to desired outcomes.



Special Training on Competency Improvement for Human Resources Line at Huishang Bank



Key talent programs are a crucial approach to advancing training efforts. Adhering to the requirement of "categorized and hierarchical training, with an emphasis on key aspects", Huishang Bank continuously advances and refines its unique training program system for key talents. This system covers the "Big Vision" forward-looking leadership lecture series and nine training brands: "Huizhuo", "Huiyang", "Huiying", "Huidun", "Huijing", "Huidao", "Huihang", "Huixing", and "Huiyun". These programs offer a precise and systematic training pathway tailored to various roles and levels, significantly enhancing the overall quality and competitiveness of our talent pool.

Training Brand	Training Highlights	Training Achievements in 2024
"Big Vision" Forward-looking Lecture Series	It enhances the Party spirit and comprehensive abilities of middle and senior management by delving into cutting-edge topics such as the interpretation of the spirit of the third plenary session of the 20th CPC Central Committee, macroeconomics, and new quality productive forces.	The Bank hosted 10 sessions of the "Big Vision" forward-looking leadership lecture series for middle and senior management.
Huizhuo Plan	It focuses on topics such as the interpretation of the spirit of the third plenary session of the 20th CPC Central Committee and regulations on disciplinary actions, digital transformation, macroeconomic analysis, green finance, and leadership, aiming to help participants enhance their political literacy and broaden their macro perspective. Temporary Party branches and groups are established, and working meetings are convened to prioritize the study of General Secretary Xi Jinping's recent important statements on talent work, convey the spirit of the Regulations on the Management of Cadre Education and Training Participants, and enforce strict discipline in study and daily conduct.	A total of 273 middle and senior management personnel, as well as executives from affiliated institutions, participated in the training.
Huiyang Plan	Courses are centered on the theme of "Digital Transformation and High-quality Development", intending to further expand macro perspectives, foster innovative thinking, and improve digital transformation capabilities.	A comprehensive ability enhancement training was conducted for senior managers in 2024, involving 61 participants.
Huidun Plan	Professional department heads deliver lectures, conduct precise demand surveys, and implement the innovative "Team Brain Relay Innovation" teaching method, making the training more instructive, targeted, and hands-on, effectively enhancing the participants' ability to solve real-world problems.	A total of 168 sub-branch heads from 21 branches participated in the training.
Huiying Plan	The plan is carried out through a variety of methods, including lectures by renowned instructors, student discussions, and post-class summaries. Innovative training topics such as stress management and effective communication are included to enhance the overall competencies of young and middle-aged management professionals.	A total of 164 secondary team leaders from the Head Office participated in the training.
Huidao Plan	The "Huiyin Good Lecturer" competition was conducted to promote training. Focusing on business development, it enhances the integration of training and practice and fosters corporate culture building.	Over a thousand employees across the Bank participated in this competition. Through auditions, preliminaries, semi-finals, and finals, the competition ultimately awarded 8 "Best Organization Prizes", 1 "Gold Medal Lecturer", 2 "Silver Medal Lecturers", 3 "Bronze Medal Lecturers", 4 "Outstanding Lecturers", and Ten Best Courses, alongside the appointment of 40 senior internal trainers.
Huihang Plan	Through concentrated enclosed management, diverse course settings, and various activities, the plan aids new employees in transitioning from students to banking professionals, enhancing their professional quality, and mastering counter operations.	Approximately 350 new employees hired through campus recruitment participated in the training.
Huijing Plan	The training, which emphasizes Party spirit, macroeconomic insights, fintech, career development, compliance cases for prevention, and stress and emotion management, offers rich and targeted content. With a strong faculty and high engagement, the plan fosters a vibrant learning environment and significantly enhances participants' overall competence and business capabilities.	A total of 94 exemplary core young employees from the Head Office, branches, and affiliated institutions participated in the training.
Huixing Plan	Focusing on self-improvement, quality enhancement, and skill honing, the plan is structured around five key modules: efficient communication management, effective problem-solving, development of structural thinking, personal organization leadership, and career development. It aims to enhance both business skills and the comprehensive quality of management trainees.	From May 20 to 24, 78 new management trainees hired through campus recruitment participated in the training. From June 17 to 21, 13 management trainees from the Head Office participated in the training. From November 29 to December 6, 62 management trainees from the Head Office and branches hired through campus recruitment participated in the training.
Huiyun Plan	Leveraging the online learning platform, this plan innovates training formats and enhances the learning effect by offering a rich array of courses, live training sessions, online exams, and specialized roadmap learning.	The plan involved a total of 2.6209 million attendees across the Bank, with an accumulative learning during of 1.341 million hours.






Employee Training in 2024

Type	Indicator	Average Hours of Training (Hours/Person)	Number of Trainees (Person)	Proportion of Trainees (%)
By gender	Female	464.78	6,440	98.13
	Male	425.94	6,123	97.59
By title	Senior management	115.49	11	100
	Middle management	202.00	290	97.64
	Junior employees	451.87	12,263	97.88

Health and Safety

Focusing on the objectives of "enhancing safety awareness, improving safety capabilities, creating a safe atmosphere, and shaping safety culture", Huishang Bank has deeply advanced the 2024 "Safe Huishang Bank" initiative. We have completed on-site inspections of 21 branches, with a particular emphasis on county-level branches, and assisted all branches in strengthening safety management and solidifying their safety foundation, thus ensuring employee health and safety in an all-round way and promoting the Bank's safe and stable development.

Huishang Bank implements multiple measures to strengthen the security management of the headquarters building from the dimensions of staff, facilities, technology, and fire protection, continuously improving the meticulousness of security operations in the office building:

	Formulating the procedure for cleaning domestic water tanks to safeguard drinking water safety.		Establishing the procedure for rescuing people trapped in elevators to ensure the safe use of elevators.
	Comprehensively checking the safety of glass curtain walls.		Installing additional physical security facilities and setting up an infrared alarm system at the periphery of the headquarters.
	Retaining video footage of kitchen operations to ensure food safety.		Providing firefighting facilities such as respiratory masks and fire extinguishers.

Huishang Bank also attaches importance to the security work of its branches and sub-branches. The Bank continuously advances the creation of "Safe Huishang Bank" and has selected 21 "optimally safe branches" and 290 "optimally safe sub-branches". The branches and sub-branches are encouraged to share their security experience. The Bank also conducts off-site checks of its branches, oversees the transformation of outlets to meet security standards, and urges all branches and sub-branches to enhance safety management. Furthermore, to increase its early warning capability, the Bank has initiated a pilot program for a three-level alarm system, allowing alarm information from the pilot branches' outlets to be uploaded in real-time to the Head Office.

Measures and achievements

- Implementing "Five Special Activities"
 - Ensuring safety and stability during major festivals, and intensifying the special action for "fire prevention and control in winter and spring".
 - Conducting all-staff education and publicity, and diligently organizing the activities for Work Safety Month and National Fire Prevention Day.
- Consolidating and strengthening fire safety measures, and promptly carrying out "special inspections for fire hazards".
 - Resolutely preventing accidents and incidents, and conducting solid work on "special inspections for major accident hazards and security risks".
 - Enhancing national security publicity, and effectively implementing the work of "national security and people's defense line construction" and anti-espionage activities.

Employee Health and Safety in 2024

Type	Unit	Data in 2024
Number of work-related fatalities	Person	0
Number of work-related injuries	Person	18
Lost days due to work injury	Day	330

Engaging in Social Welfare

The prosperity of enterprises is closely tied to the progress of society. Only by actively giving back to society can a business achieve sustainability and earn respect and trust from the community. Huishang Bank upholds the mission of "achieving customers' dreams, creating values for shareholders, promoting staff development and assuming civic responsibilities", actively fulfilling social duties and demonstrating social commitment.

The Bank is actively engaged in practice, prioritizing the cultivation of a service mindset that is closely connected to the community and people's lives, expanding the reach of volunteer service activities, and warming people's hearts through compassionate actions. In 2024, the Bank's total external donations amounted to RMB 2.6614 million, providing robust support for public welfare endeavors in fields such as science, education, culture, health, and infrastructure development. It also actively organized 140 youth volunteer service activities focused on disseminating financial knowledge, caring for vulnerable groups, and promoting green and low-carbon initiatives. The branches collectively undertook 38 public welfare and charity projects, contributing to a total of 5,930 hours of volunteer services.



The branches collectively undertook

38 public welfare



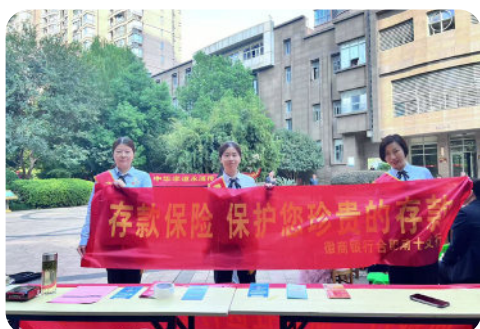
charity projects, contributing to a total of

5,930 hours of volunteer services.



【Case: Huishang Bank's Branches Actively Promote Public Welfare Activities for the Dissemination of Financial Knowledge to the Elderly】

Huishang Bank, addressing the elderly customer group, leverages its strengths as a financial institution to actively carry out public welfare activities aimed at disseminating financial knowledge. During the 15th "Respect for the Elderly Month", the Hefei Nanqi Sub-branch collaborated with Anhui Business Daily to visit the Shuguang Community in Wuhulu Sub-district. They educated elderly residents about financial consumer rights protection and telecom fraud prevention by setting up information desks, hanging banners, distributing brochures, and providing on-site explanations. Employees from the Nanjing Branch entered subway stations to conduct anti-telecom fraud awareness activities, safeguarding the "pocketbooks" of elderly citizens. Taking advantage of the movie screening activity on Army Day, the Beijing Branch engaged with elderly customers. By providing details on the promotional brochure, distributing flyers, and hanging banners, the staff conducted publicity and education focused on areas where fraud cases frequently occur, including elder care services, financial investment, and wealth management. A community resident said that Huishang Bank's employees disseminated knowledge about telecom fraud prevention in an easy-to-understand way, which benefited them a lot. Huishang Bank will continue to fulfill its social responsibilities, enhancing the quality and efficiency of financial services for the elderly, and ensuring that high-quality financial services benefit more customers.





【Case: Huishang Bank Huainan Branch Hosts "Realizing Unfulfilled Dreams" Public Welfare Wedding Photography Event】

In the Huaihe New Town Community of Huainan City, a public welfare wedding photography event themed "Realizing Unfulfilled Dreams" is underway, presenting a lively atmosphere filled with laughter and joy.

Unlike regular wedding photography sessions, the main characters of this event are a group of elderly individuals with silver hair. This is a charity photography event meticulously planned by the Huishang Bank Huainan Huaihe New Town Sub-branch to celebrate the traditional virtues of respecting and caring for the elderly.

In the lead-up to the event, the sub-branch actively made preparations, inviting elderly customers from communities around Huaihe New Town to visit the bank outlet. The sub-branch's meeting room was ingeniously transformed into a temporary "studio", with bank staff taking on roles as "makeup artists" and "lighting technicians" to offer comprehensive services to the elderly customers. A 70-year-old customer expressed that this year marked the 40th anniversary of her marriage to her husband. Due to the constraints of that particular period, they had never had the opportunity to take wedding photos. This event organized by Huishang Bank fulfilled her long-held dream of capturing a wedding photo, making both her and her husband feel deeply cared for and warmed.



【Case: Huishang Bank Anqing Branch Supports the Healthy Growth of Special Needs Children】

Since 2015, when the Anqing MuYangZhiJia Rehabilitation Center for Children with Disabilities became a practice base for Huishang Bank Anqing Branch and other financial institutions in the city to promote the spirit of Lei Feng, the CYLC (Communist Youth League of China) Committee of the Anqing Branch has regularly organized CPC and CYLC volunteers to conduct at least 1-2 themed volunteer service sessions each year, demonstrating the volunteer spirit of "dedication, friendship, mutual help, and progress" through concrete actions.

In 2024, to mark the Memorial Day of Learning from Lei Feng and Chinese Youth Volunteer Service Day, Huishang Bank Anqing Branch collaborated with several organizations to visit the Anqing MuYangZhiJia Rehabilitation Center for Children with Disabilities. They organized a volunteer service event titled "Unifying the Power of Financial Youth to Help 'Broken-winged Angels' Soar". The event included a tour of the rehabilitation education and other functional areas. The volunteers engaged warmly with the children and donated supplies such as rice and cooking oil to the center. The Anqing Branch expressed its commitment to continue fulfilling its social responsibilities and carrying out assistance activities, ensuring that the children grow up healthy and happy.





【Case: Huishang Bank Bengbu Branch Carries out Anti-fraud Awareness Education in a School】

Huishang Bank Bengbu Branch, alongside the CYLC Bengbu Municipal Committee, visited Bengbu No. 3 Experimental School to conduct the "3.15 Financial Anti-fraud Awareness Education and Volunteer Event on Campus". Using case studies, staff educated teachers and students about common telecom fraud tactics and preventive measures, advising them to safeguard personal privacy and stay vigilant against unfamiliar information. Over 300 promotional leaflets were distributed during the event, benefiting more than 500 teachers and students. This effectively enhanced their fraud prevention awareness, fortifying the security line for building a fraud-free campus.



【Case: Huishang Bank Chengdu Branch Brings Educational Charity to Campus】

Upholding the philosophy of benefiting the people through financial services, the CYLC Committee of Huishang Bank Chengdu Branch organized young employees and objects of united front work to visit Xuankou Primary School in Wenchuan County, where they conducted a volunteer service event themed "Spreading Kindness, Warm Winter Action: Bringing Educational Charity to Campus". The event was a collaboration with the Chengdu High-tech Zone Volunteer Association and Sichuan Zhongchuang Smart Manufacturing Prefabricated Building Technology Co., Ltd. (Z-CRETECH), receiving significant attention from the People's Government of Xuankou Town, with over 50 participants from the four sides.

During the event, representatives from the Chengdu Branch conveyed their hopes and care for children in the mountainous areas, and officially inaugurated the "Love Deposit Certificate" project. Representatives from the branch, together with the partner organizations, presented stationery sets, marker pens, and other school supplies to the students and teachers, also extending their heartfelt wishes to the students. The "Love Deposit Certificate" project serves as a bridge, fostering communication between children in urban and mountainous areas. The Chengdu Branch has established a "Love Mailbox" within the High-tech Zone Sub-branch. For every deposit certificate opened, a book is donated to children in mountainous areas. Urban primary and secondary students who donate books can send handwritten letters to the "Love Mailbox". This allows for correspondence between students in urban and mountainous areas, fostering closer communication.

The event was acknowledged with a handwritten thank-you letter from the former full-time deputy secretary of the CPC Committee for Offices of the Publicity Department of the CPC Sichuan Provincial Committee, along with a joint thank-you letter from the Chengdu High-tech Zone Volunteer Association and Xuankou Primary School in Wenchuan County, highlighting Huishang Bank's commitment to social responsibility and philanthropy.



Appendix

ESG Reporting Guide Index

KPI	Description	Chapter(s)	Remarks
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.	Practicing Green Operations	
A1.1	The types of emissions and respective emissions data.	Practicing Green Operations	
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Practicing Green Operations	
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not applicable	Hazardous wastes produced from the Bank's operations are recycled by suppliers for disposal.
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Practicing Green Operations	
A1.5	Description of emission target(s) set and steps taken to achieve them.	Practicing Green Operations	
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.	Practicing Green Operations	
A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Practicing Green Operations	
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Practicing Green Operations	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Practicing Green Operations	
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Practicing Green Operations	
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.	Practicing Green Operations	
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Not applicable	This item is not relevant to the Bank's operations.
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Not applicable	This item is not relevant to the Bank's operations.
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Not applicable	This item is not relevant to the Bank's operations.

KPI	Description	Chapter(s)	Remarks
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.	Response to Climate Change	
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.	Response to Climate Change	
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.	Recruitment, Compensation Management	
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Recruitment	
B1.2	Employee turnover rate by gender, age group and geographical region.	Recruitment	
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.	Health and Safety	
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Not occurred	
B2.2	Lost days due to work injury	Health and Safety	
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety	
B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Training and Development	
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	
B3.2	The average training hours completed per employee by gender and employee category.	Training and Development	
B4: Labor 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 labor.	Labor Standards	
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Labor Standards	
B4.2	Description of steps taken to eliminate such practices when discovered.	Labor Standards	
B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Strengthening Green Procurement	
B5.1	Number of suppliers by geographical region.	Strengthening Green Procurement	

KPI	Description	Chapter(s)	Remarks
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Strengthening Green Procurement	
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Strengthening Green Procurement	
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Strengthening Green Procurement	
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, labeling and privacy matters relating to products and services provided and methods of redress.	Protecting Customers' Rights and Interests, Protecting Information Security	
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	This item is not relevant to the Bank's operations.
B6.2	Number of products and service related complaints received and how they are dealt with.	Protecting Customers' Rights and Interests	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Comprehensive Risk Management	
B6.4	Description of quality assurance process and recall procedures.	Not applicable	This item is not relevant to the Bank's operations.
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Protecting Information Security	
B7: Anti-corruption			
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 bribery, extortion, fraud and money laundering.	Observing Business Ethics	
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.	Observing Business Ethics	
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Observing Business Ethics	
B7.3	Description of anti-corruption training provided to directors and staff.	Observing Business Ethics	
B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Empowering Rural Revitalization, Engaging in Social Welfare	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Empowering Rural Revitalization, Engaging in Social Welfare	
B8.2	Resources contributed (e.g. money or time) to the focus area.	Empowering Rural Revitalization, Engaging in Social Welfare	

GRI Standards Index

Statement of use	Huishang Bank has reported in accordance with the GRI Standards for the period January 1, 2024 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Chapter(s)	Remarks
General Disclosures			
GRI 2: General Disclosures			
The organization and its reporting practices	2-1 Organizational details	About the Bank	
	2-2 Entities included in the organization's sustainability reporting	About This Report	
	2-3 Reporting period, frequency and contact point	About This Report	
Activities and workers	2-6 Activities, value chain and other business relationships	About the Bank	
	2-7 Employees	Promoting Employee Development	
	2-8 Workers who are not employees	Promoting Employee Development	
Governance	2-9 Governance structure and composition	Improving Corporate Governance	
	2-10 Nomination and selection of the highest governance body	Improving Corporate Governance	
	2-11 Chair of the highest governance body	Improving Corporate Governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Improving Corporate Governance	
	2-13 Delegation of responsibility for managing impacts	Improving Corporate Governance	
	2-14 Role of the highest governance body in sustainability reporting	ESG and Social Responsibility Governance	
	2-16 Communication of critical concerns	Improving Corporate Governance	
	2-17 Collective knowledge of the highest governance body	Improving Corporate Governance	
	2-18 Evaluation of the performance of the highest governance body	Improving Corporate Governance	
	2-19 Remuneration policies	Compensation Management	
	2-20 Process to determine remuneration	Compensation Management	
Strategy, policies and practices	2-22 Statement on sustainable development strategy	ESG and Social Responsibility Governance	
	2-23 Policy commitments	ESG and Social Responsibility Governance	
	2-24 Embedding policy commitments	ESG and Social Responsibility Governance	
	2-25 Processes to remediate negative impacts	ESG and Social Responsibility Governance	
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	
	2-27 Compliance with laws and regulations	Digital and Intelligent Integration, Green Development, Harmonious Coexistence	No significant violations

GRI Standard		Disclosure	Chapter(s)	Remarks
Material Topics				
GRI 3: Material Topics				
Disclosures on material topics	3-1	Process to determine material topics	Materiality Assessment Analysis	
	3-2	List of material topics	Materiality Assessment Analysis	
	3-3	Management of material topics	Materiality Assessment Analysis	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Responsibility Performance	
	201-2	Financial implications and other risks and opportunities due to climate change	Environmental Risk Management, Response to Climate Change	
	201-3	Defined benefit plan obligations and other retirement plans	Compensation Management	
GRI 203: Indirect Economic	203-1	Infrastructure investments and services supported	Benefiting People's Well-being	
	203-2	Significant indirect economic impacts	Innovation Development, Engaging in Social Welfare	
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Observing Business Ethics	
	205-3	Confirmed incidents of corruption and actions taken	Observing Business Ethics	
GRI 302: Energy	302-1	Energy consumption within the organization	Practicing Green Operations	
	302-2	Energy consumption outside of the organization	Practicing Green Operations	
	302-3	Energy intensity	Practicing Green Operations	
	302-4	Reduction of energy consumption	Practicing Green Operations	
	302-5	Reductions in energy requirements of products and services	Practicing Green Operations	
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	Practicing Green Operations	
	303-2	Management of water discharge-related impacts	Practicing Green Operations	
	303-3	Water withdrawal	Practicing Green Operations	
	303-4	Water discharge	Practicing Green Operations	
	303-5	Water consumption	Practicing Green Operations	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	Practicing Green Operations	
	305-2	Energy indirect (Scope 2) GHG emissions	Practicing Green Operations	
	305-3	Other indirect (Scope 3) GHG emissions	Practicing Green Operations	
	305-4	GHG emissions intensity	Practicing Green Operations	
	305-5	Reduction of GHG emissions	Practicing Green Operations	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	Practicing Green Operations	
	306-2	Management of significant waste-related impacts	Practicing Green Operations	
	306-3	Waste generated	Practicing Green Operations	
	306-4	Waste diverted from disposal	Practicing Green Operations	
	306-5	Waste directed to disposal	Practicing Green Operations	

GRI Standard	Disclosure	Chapter(s)	Remarks
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Strengthening Green Procurement	
	308-2 Negative environmental impacts in the supply chain and actions taken	Strengthening Green Procurement	
GRI 401: Employment	401-1 New employee hires and employee turnover	Recruitment	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation Management, Employee Care	
	401-3 Parental leave	Employee Care	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Health and Safety	
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety	
	403-3 Occupational health services	Health and Safety	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety	
	403-5 Worker training on occupational health and safety	Health and Safety	
	403-6 Promotion of worker health	Health and Safety	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	
	403-8 Workers covered by an occupational health and safety management system	Health and Safety	
	403-9 Work-related injuries	Health and Safety	
	403-10 Work-related ill health	Health and Safety	
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Training and Development	
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development	
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and Development	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Governance Structure, Equality and Diversity	
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Equality and Diversity	Not occurred
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Labor Standards	Not occurred
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Labor Standards	Not occurred
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Strengthening Green Procurement	
	414-2 Negative social impacts in the supply chain and actions taken	Strengthening Green Procurement	Not occurred
GRI 416: Customer Health	416-1 Assessment of the health and safety impacts of product and service categories	Protecting Customers' Rights and Interests	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Protecting Customers' Rights and Interests	Not occurred
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	Protecting Customers' Rights and Interests	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Protecting Customers' Rights and Interests	Not occurred
	417-3 Incidents of non-compliance concerning marketing communications	Protecting Customers' Rights and Interests	Not occurred
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protecting Information Security	Not occurred

Readers Feedback Form

Thank you for reading the 2024 Social Responsibility Report of Huishang Bank. To better provide valuable information to our stakeholders and improve our capability and level of fulfilling our social responsibilities, we sincerely invite you to offer your valuable feedback and suggestions on this report.

You may fill out this feedback form and return it to us through any of the following methods:

Email: bangongshi@hsbank.com.cn

Mailing address: Huishang Bank Building, No. 1699 Yungu Road, Hefei City, Anhui Province, China

How would you evaluate this Social Responsibility Report in general?

☐ Good ☐ Fairly Good ☐ Average ☐ Poor ☐ Very Poor

How would you evaluate the Bank's performance in fulfilling its economic, social, and environmental responsibilities?

Economic responsibility	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Social responsibility	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Environmental responsibility	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor

How would you evaluate the clarity, accuracy, and completeness of the information, data, and indicators presented in this Report?

☐ Very High ☐ High ☐ Average ☐ Low ☐ Very Low

How would you evaluate the clarity, accuracy, and completeness of the information, data, and indicators presented in this Report?

Clarity	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Accuracy	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Completeness	<input type="checkbox"/> Good <input type="checkbox"/> Fairly Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor

Do you find this Report easy to read in terms of its content and layout?

☐ Yes ☐ Average ☐ No

Any other comments and suggestions you may have regarding our work and this Report:

