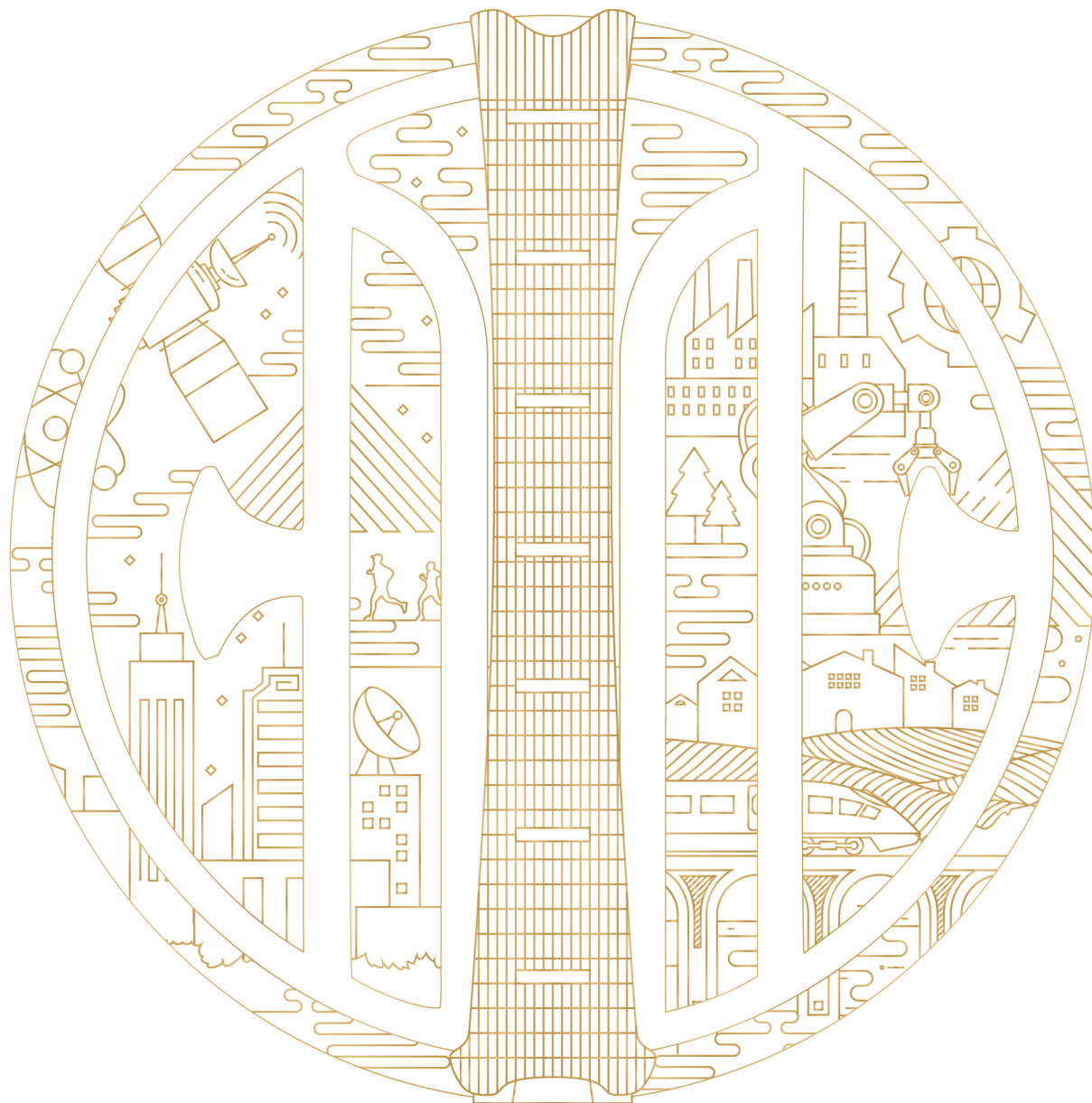


CITIC Limited
Stock Code: 00267



2024

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE (ESG) REPORT**

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About this Report

This report is the 11th annual ESG report released by CITIC Limited ("the Company"), which details the Company's ESG governance and performance for 2024 in areas such as corporate governance, green development, and community outreach. The Company is committed to the truthfulness, accuracy, and completeness of the report's content. To ensure the scientific and credible nature of ESG performance indicators, the Company has engaged KPMG Huazhen LLP to conduct limited assurance procedures on selected key data in this report and to issue an independent assurance report.

Scope and Period of the Report

Unless otherwise specified, the scope of disclosure in this report is consistent with the annual report and the 2023 Environmental, Social and Governance Report. The statistical time frame for key performance indicators presented in this report ranges from January 1st, 2024 to December 31st, 2024, with some content extending to March 28th, 2025. This report has been reviewed and approved by the Board of Directors on March 28, 2025.

Basis of Report Preparation

This report is prepared in accordance with Appendix C2 *Environmental, Social and Governance Reporting Code of the Main Board Listing Rules* of the Hong Kong Stock Exchange, with reference to the GRI Standards of the Global Sustainability Standards Board (GSSB). The relevant index is set out in the appendix to this report.

Reporting Principles

In its preparation, this report follows the principles of materiality, quantification, consistency, and balance set forth by the Hong Kong Stock Exchange.

Materiality

We have identified 24 key ESG issues by engaging in regular communications with stakeholders, following HKEX ESG guidelines, and monitoring global ESG priorities. We assessed the relative importance of these issues to the Company and our key stakeholders through questionnaires and other means. This report addresses these key ESG issues and responds to stakeholders' concerns.

Quantitative

This report provides quantified disclosure on the applicable ESG key indicators, and discloses the statistical standards, methods, assumptions and/or calculation tools, as well as the sources of conversion factors for emissions/energy consumption.

Consistency

Unless otherwise specified, this report maintains consistency in the statistical methods and key performance indicators presented, without any significant changes or factors that may affect the comparability of indicators.

Balance

This report adheres to the principle of balance and presents the ESG governance performance during the reporting period in an objective manner.

Board Statement

The Board of Directors of CITIC Limited continuously explores and improves the organisational structure and systems of ESG governance and strengthens the Board's strategic leadership in the Company's ESG governance in accordance with the requirements of the Hong Kong Stock Exchange. The Board and all directors confirm that this report is free from false information, misleading statements, or major omissions, and make the following statement regarding the Board's ESG supervision and management work:

Role of the Board of Directors

The Board of Directors at CITIC Limited takes ultimate responsibility for the Company's ESG strategy and reporting. The Strategy and Sustainability Committee under the Board of Directors is responsible for looking into the Company's major development strategies and promoting the integration of sustainability concepts into the Company's management systems and business operations; making plans for and providing guidance on sustainability and related matters, assessing and proposing the Company's important ESG programs and plans, and making recommendations to the Board of Directors; guiding management to coordinate and optimise ESG management processes, indicators, ratings and preparation of annual reports; keeping abreast of the Company's key sustainability matters, reviewing the Company's Environmental, Social and Governance Report, and supervising and evaluating the implementation of sustainable development plans, etc. The Audit and Risk Committee of the Board of Directors is also involved in identifying and evaluating the Company's major ESG risks and their impacts, and is committed to integrating ESG-related work into internal control, risk management, etc.

By the end of 2024, the Strategy and Sustainability Committee was composed of eight directors and headed by the chairman. Other members included an executive director serving as vice chairman and general manager, three non-executive directors and three independent non-executive directors. The Strategy and Sustainability Committee meets once a year. When necessary, the chairman or more than half of the committee members can propose to hold an interim meeting to communicate strategic development and ESG-related matters.

In 2024, the Strategy and Sustainability Committee held a meeting focused on development strategies and ESG management during the Fifteenth Five-Year Plan period.

Management Policies

The Company comprehensively analyses and determines its ESG risks and opportunities in line with reform targets and development trends and based on its actual business circumstances and issues of concern to stakeholders, so as to continuously improve relevant ESG strategies, policies and systems. The Company attaches great importance to ESG matters and their significant impact and strengthens communication on relevant matters using a variety of means including information disclosure, industry conferences, earnings calls and questionnaires. The Company regularly analyses the importance of ESG topics of concern to stakeholders, so as to better respond to their expectations.

Review of ESG Objectives

The Company and relevant subsidiaries have formulated annual or medium and long-term management objectives in key areas such as carbon peaking and carbon neutrality, comprehensive risk management, and spending on technological development. The Board of Directors reviews the objectives and monitors their progress on a regular basis.

As of December 31, 2024

CITIC Limited's total assets
amounted to RMB

12,075.4 billion

and equity attributable to
ordinary shareholders was RMB

757.5 billion





About CITIC Limited

CITIC Limited (00267.HK) is one of China's largest conglomerates and a constituent of the Hang Seng Index. The company is focused on five business segments: comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation.

The predecessor of CITIC Limited, China International Trust and Investment Corporation, was established by Mr Rong Yiren with the support of Mr Deng Xiaoping. It played a crucial role as a pilot for national economic reform and an important window on China's opening to the outside world. CITIC successfully blazed a new trail of development for China's reform and opening up and modernisation by raising foreign capital, introducing advanced technologies and adopting advanced international practice in operation and management.

After years of development, relying on its strengths in marketisation and internationalisation, CITIC has developed into a multinational conglomerate with synergies between industrial and financial sectors, diverse businesses and operations in around 160 countries and regions. In August 2014, CITIC became a listed company in Hong Kong, further accelerating its internationalisation.

In recent years, with a vision of "building an outstanding conglomerate with a lasting reputation", CITIC has comprehensively deepened reforms, promoted high-quality development and continuously enhanced its value creation capability and shareholder returns. In the financial sector, the company has taken the lead in establishing a financial holding company in China, launched the "Financial Core" initiative and promoted the development of the financial sector. In the industrial businesses, CITIC has been striving to promote high-end, green and intelligent capabilities to help strengthen the resilience of industrial supply chains and to promote coordinated regional development. The "Industrial Starlink" initiative has been launched to facilitate a smooth transition between old and new growth drivers.

As of December 31, 2024, CITIC Limited's total assets amounted to RMB 12,075.4 billion, and equity attributable to ordinary shareholders was RMB 757.5 billion.

Details of the Company's business segments and major subsidiaries are set out in the 2024 CITIC Limited Annual Report.

Strategy and Management

Strategy and Culture

At CITIC Limited, we conduct business with integrity and to the highest ethical standards. We make decisions in a prudent manner, embrace innovation, and adhere to all applicable laws and regulations. It's upon these principles that we build a strong corporate culture. The core values of the CITIC culture – Honesty, Innovation, Cohesion, Harmony, Dedication, and Excellence – guide us in everything we do. We are committed to supporting China's national rejuvenation and other national strategies. To achieve this, we aim to deepen the 5-5-3 strategy; we strive to grow in finance, promote industrial transformation and upgrading, and effectively resolve risks; we drive breakthroughs through restructuring the organisational system, strengthening team building, improving incentive mechanisms, deepening technological innovation, and coordinating overseas development; and we work hard to promote high-quality development and to flourish as a domestically leading and internationally first-class technology-driven corporation.

ESG Management

CITIC Limited adheres to a sustainable path of development by integrating ESG into the Company's management systems and business operations. We have built a three-tier governance structure led by the board of directors, coordinated by management, and implemented by the executive departments, that provides strong support for the Company's sustainable development. This year, the Company launched "Financial Core" Initiative and "Industrial Starlink" Initiative to enhance its financial segment as its core and to further connect its industrial segments, systematically promoting work in the Five Major Areas of finance including strengthening technology finance and green finance services, innovating inclusive finance models, enriching the retirement finance ecosystem, and improving our digital finance capabilities. Industrial companies are vigorously promoting technological innovation to accelerate digital transformation, making breakthroughs in a number of major research projects and striving to build the Company into one of national strategic importance that serves key national projects. We follow green and low-carbon practices in our operations and management to contribute to the Beautiful China initiative; we actively fulfil our corporate social responsibilities, serving the public whole-heartedly and giving back to society to improve the people's well-being. We endeavour to establish the Company's reputation as a trusted partner for Chinese companies going global and foreign companies coming to China and to contribute to China's opening-up at a high level. During the year, we hosted the 2024 ESG Global Leaders Conference to help improve the impact of China's distinctive system of ESG rules.

ESG Governance Structure

We have set up a three-tier ESG governance system, comprising the Board of Directors, the management, and the executive departments. The Board of Directors provides guidance for our ESG work, while also supervising and evaluating the performance of the management. The management is in charge of coordinating all ESG-related efforts, and for guiding and overseeing its implementation. The functional departments of the headquarters and subsidiaries are responsible for implementing specific ESG tasks. In September 2024, the Company officially renamed the Strategy Committee of the Board of Directors as the Strategy and Sustainability Committee, revised the responsibilities of the Committee, set up relevant functions, and further improved the Company's ESG governance system.

A circular icon with a gold gradient and a white border, containing the text "Board of Directors". It is positioned to the left of the first text block. To its left are several horizontal gold lines of varying lengths, creating a decorative background.

Board of Directors

As the highest decision-maker in the Company's ESG hierarchy, the Board of Directors discharges its ESG supervisory duties in accordance with relevant laws and regulations. The Board of Directors has set up a Strategy and Sustainability Committee, headed by the chairman, which is responsible for assessing ESG programmes and plans, guiding management in optimising management processes and the system of indicators for ESG work, ESG ratings, and information disclosure, and for reviewing the Company's annual ESG report. The Audit and Risk Committee is also involved in identifying and evaluating the Company's major ESG risks and impacts. Each year, the Board of Directors and all special committees stretch their professional strengths on ESG governance, and deliberate and discuss important issues to foster forward-looking research and facilitate scientific decision-making.

A circular icon with a gold gradient and a white border, containing the text "Management". It is positioned to the left of the second text block. To its left are several horizontal gold lines of varying lengths, creating a decorative background.

Management

Management is responsible for revising ESG plans and reports, and comprehensive systems, and submitting them to the Board of Directors for review. They examine and approve ESG reports and assessments on the materiality of ESG issues, ESG-related regulations, and annual planning and then submit them to the Board of Directors for review. They report to the Board of Directors on the status of ESG priorities, including, but not limited to, compliance with national and regulatory requirements, responses to issues of concern to investors, and progress on objectives and plans. They also deliberate on other important matters related to ESG management as needed.

A circular icon with a gold gradient and a white border, containing the text "Implementation". It is positioned to the left of the third text block. To its left are several horizontal gold lines of varying lengths, creating a decorative background.

Implementation

The Company's headquarters has established a sustainable development working group for the Strategy and Sustainability Committee, jointly established by functional departments and some key subsidiaries. The Office of the Board of Directors takes the lead in coordinating and promoting specific ESG issues. Other functional departments, responsible for the management of related ESG work, manage ESG work under the relevant lines of business in a professional manner according to applicable regulations and based on actual needs.

Each subsidiary is responsible for carrying out its own ESG work, establishing ESG governance systems and working mechanisms, developing ESG plans, objectives, and tasks, and promoting the implementation of specific tasks based on their own business and operations.

Promoting Global Cooperation in ESG for Win-Win Development

CITIC Held the 2024 ESG Global Leaders Conference

In October 2024, the 2024 ESG Global Leaders Conference, hosted by CITIC and Sina Group and organised by Sina Finance and CITIC Publishing, was held in Huangpu, Shanghai. This was the largest ESG event in China with a great global impact, with the theme "promoting global cooperation in ESG for win-win development". Nine parallel forums around cutting-edge issues such as energy, carbon peaking, and carbon neutrality, green finance, sustainable consumption, technology, and public welfare were organised for in-depth discussions on more than 50 core topics. The Shanghai ESG Development Report was released as part of our efforts to combine global resources for sustainable development and promote cooperation and an international consensus on ESG.

During the conference, Xi Guohua, the Chairman of the Company, and 15 representatives from the Company's international partners, jointly launched the "Build a Green, Win-Win Partnership for a Sustainable and Better Future" initiative. This was an appeal to enterprises around the world to take up the mantle of becoming responsible corporate citizens, implementing green and low-carbon practices, deepening technological innovation, ensuring the public's well-being, strengthening stakeholder engagement to jointly build an international ESG governance system, and continuing to deepen exchanges and cooperation for sustainable development. General Manager Zhang Wenwu delivered a keynote speech at the CITIC Forum, calling on participants to seize opportunities in the Chinese market and work together to expand global mutually beneficial cooperation, drive the engine of innovation, and create a prosperous and bright future for all. At the same time, the Company announced its ambition of becoming a trusted partner for Chinese companies going abroad and for foreign companies coming to China. CITIC and its subsidiaries also signed a series of cooperation agreements with international partners to jointly build green, win-win partnerships.



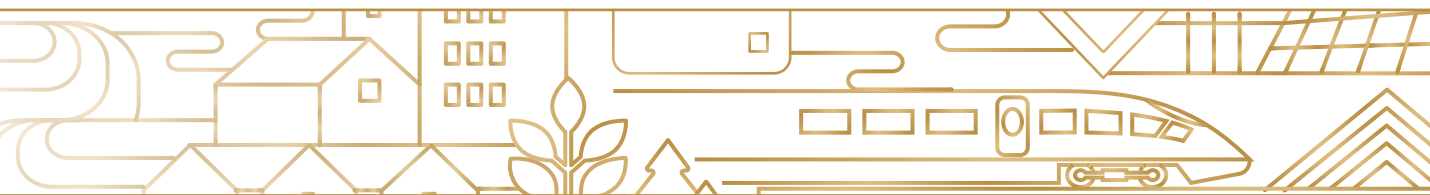
Books on ESG published by CITIC Press

◇ A strategic cooperation agreement was signed with the Samruk-Kazyna Fund of Kazakhstan. Under this agreement, CITIC and Samruk-Kazyna will fully leverage their respective resources and technological advantages, follow ESG and sustainability principles, continue to deepen cooperation in comprehensive finance, advanced intelligent manufacturing, advanced materials, new consumption, new urbanisation, and other areas to build a model of friendship and cooperation between China and Kazakhstan.

◇ A memorandum of cooperation was signed with Nippon Aluminum Group. Under the memorandum, the two parties will adhere to ESG and sustainability concepts and leverage their joint venture in China as a springboard to drive win-win results across upstream and downstream industrial chains and promote friendly exchanges among Chinese and Japanese enterprises.

◇ CITIC Press, Shanghai Soong Ching Ling Foundation, and Sina Finance signed a cooperation agreement on a special reading fund programme for children, aiming to improve the reading ability of children in paired rural areas and empower the reading programme for the public by building mini libraries using donated funds, developing a reading system for children, organising public reading activities, etc.

◇ CITIC Construction signed international engineering agreements with Uzbekistan and Saudi Arabia to help countries along the Belt and Road carry out infrastructure construction in highway transportation, medical care, and agriculture.



The Chairman Xi Guohua attended the opening ceremony and delivered a speech



Zhang Wenwu, Vice Chairman and General Manager of the Company, delivers a keynote speech



01

IMPROVING CORPORATE GOVERNANCE EFFICIENCY AND ENSURING COMPLIANCE AND ROBUSTNESS IN OPERATIONS

Sound corporate governance is the foundation on which the Company can achieve long-term sustainability. CITIC Limited is aware of the importance of corporate governance for the Company's development. By optimising the governance structure, the Company has integrated ESG governance into its corporate governance system that ensures integrity and compliance throughout business activities. The Company is committed to building a sound corporate governance mechanism and laying down a solid foundation for high-level governance and for the sustainable and healthy development of the Company, strengthening compliance management and integrity culture building, introducing standards for employee behaviour, and preventing financial crime.



HIGHLIGHTS

- ◇ Improvements to the corporate governance structure and renaming the Strategy Committee under the Board of Directors to the Strategy and Sustainability Committee to coordinate and provide guidance for the Company's sustainable development and other related work. In the year, an independent director was added to the Strategy and Sustainability Committee.

- ◇ Demanding subsidiaries implement the relevant requirements of the newly revised Company Law and initiate a revision of their Articles of Association; introducing standards for the Company's dispatched directors in performing their duties and enhancing their accountability; formulating plans to remedy gaps in the paid-in capital of subsidiaries; requiring them to set up audit committees.

- ◇ The strengthening of audit supervision, compliance, anti-corruption, supplier management, and other related work; introducing operational standards across the Company.

- ◇ The establishment of a sustainability-linked compensation mechanism and improvements to the mechanism for compensation deduction and recourse.

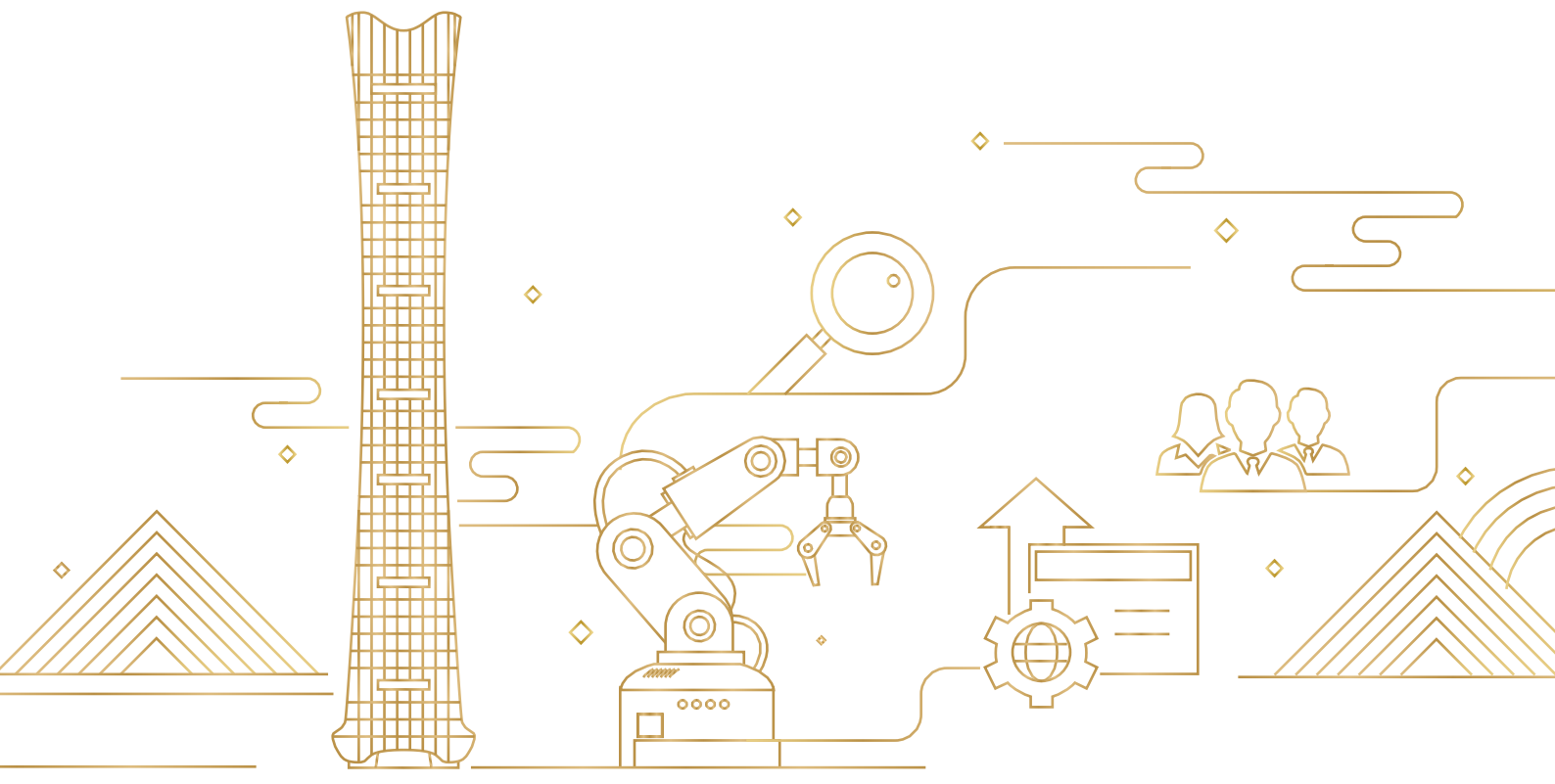
- ◇ The registration of more than

2,000

new intellectual property rights in the year

adding to a total of more than

12,000



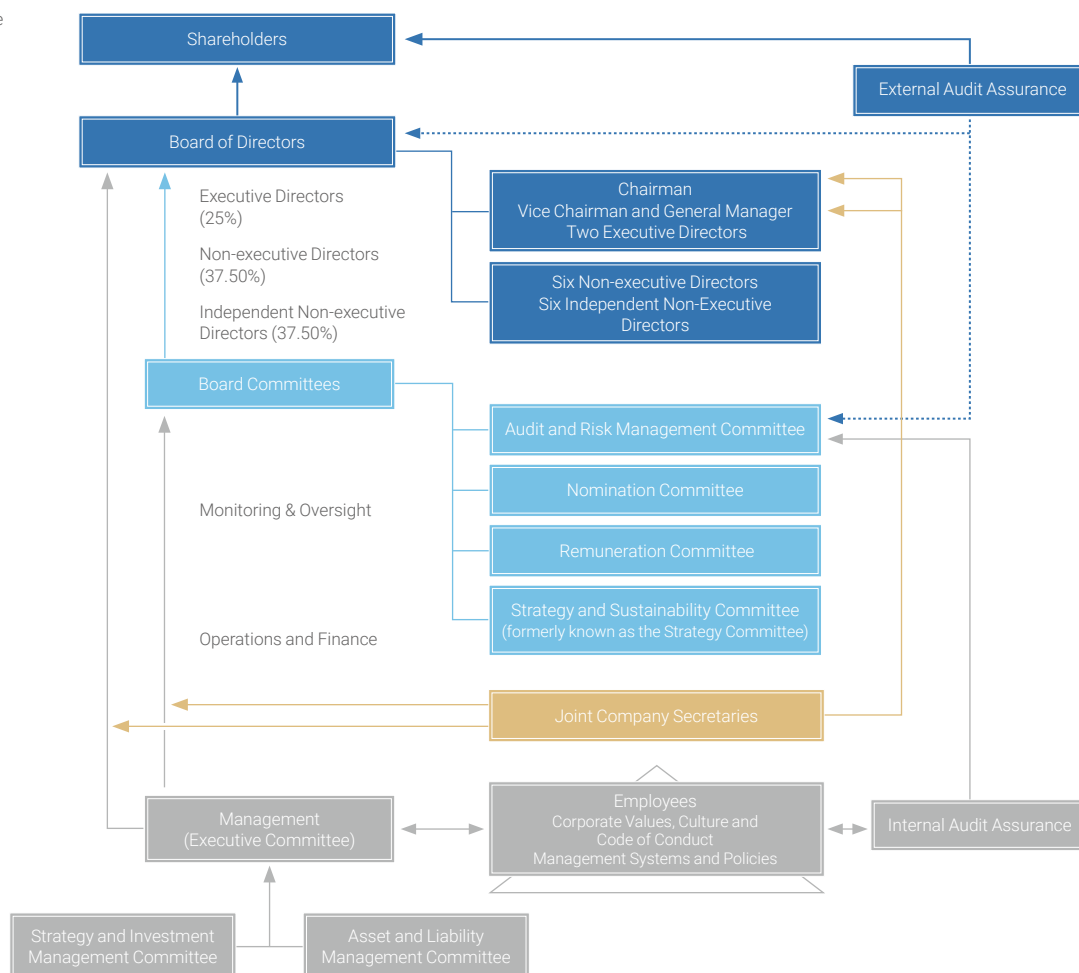
Improving Corporate Governance In Line with the Law

CITIC has always promoted corporate governance in strict accordance with the laws of Hong Kong and considers a sound corporate governance system as the core driving force behind promoting high-quality development. At the same time, we attach great importance to the corporate governance of subsidiaries incorporated in accordance with the *Company Law of the People's Republic of China* (hereinafter referred to as the Company Law). During the reporting period, all relevant subsidiaries took the implementation of the revised Company Law as an opportunity to carry out relevant work, such as publicity on and interpretation of the law, a review and updating of the Articles of Association, and adjustments to the governance structure, so as to define the responsibilities and authority of various functions across different levels in the governance hierarchy, to build a sound and efficient governance structure, to constantly innovate and optimise the governance mechanism, and to ensure that the governance system keeps up-to-date and meet the Company's needs in driving high-quality development in addressing challenges.

Corporate Governance Structure

At CITIC Limited, the shareholders' meeting, the Board of Directors, board committees, and senior management make up the core of the governance structure. We ensure a clear, coordinated, and effective division of responsibilities between those charged with governance and the management while providing a strong guarantee for the steady development of the Company by defining the responsibilities of the Board of Directors, breaking down matters in the performance of duties, and improving the rules of procedure for the Board of Directors and its subordinate special committees.

Corporate governance structure



Election and Operation of the Board of Directors

The Company follows the CITIC Limited Articles of Association and the CITIC Limited Director Nomination Policy for the nomination, selection, appointment, and rotation of Board Members. In terms of composition, the Board of Directors pays attention to the independence, professionalism, and diversity of board members. The Nomination Committee of the Board of Directors (including more than half independent non-executive directors) puts forward a list of recommended candidates for directorships in accordance with the director nomination policy and submits it to the Board of Directors for resolution.

Annual Election of Directors

In order to strengthen the corporate governance culture, the Company conducts directorship elections every year. At any upcoming Annual General Meeting, directors must voluntarily retire. However, they can offer themselves up for re-election by shareholders at the same meeting. Directors up for re-election are voted on individually, and only those receiving a majority vote of approval from shareholders will be re-appointed. As at the reporting date, the Board of Directors consisted of 16 members, including 4 executive directors, 6 non-executive directors, and 6 independent non-executive directors.

Operation of the Board of Directors

At the end of every year, the Board of Directors assesses its own performance and examines the contribution of all directors to the Board of Directors and the time they spared. In 2024, the Board of Directors held four regular meetings in which all directors were present and performed their duties with diligence. The CITIC Limited Annual Report 2024 includes a full review of all committees under the Board of Directors, including their on-duty performance, members, attendance, and activities.



The second regular CITIC Limited Board of Directors meeting in 2024

Board Committees

In order to strengthen strategic guidance and improve oversight functions, the Board of Directors has appointed several committees to discharge its duties. All committees under the Board have access to adequate resources to perform their specific duties and discharge their functions and power in accordance with their respective rules of procedure. During the year, the Strategy Committee of the Board of Directors was renamed as the Strategy and Sustainability Committee, while the Rules of Procedure for the Strategy and Sustainability Committee of CITIC Limited were revised to coordinate and further strengthen top-level design and guidance for the Company's ESG work.

Audit and Risk Management Committee

The committee currently has five directors:



including 2 non-executive directors and 3 independent non-executive directors

Chaired by Mr. Francis Siu Wai Keung, an independent non-executive director

In 2024, the committee convened

4 meetings

with a perfect attendance rate

Nomination Committee

The committee has 7 directors



including 2 executive directors, 1 non-executive director, and 4 independent non-executive directors

Chaired by Xi Guohua, the Chairman

In 2024, the committee convened

1 meeting

and 6 committee members attended the meeting

Remuneration Committee

The committee has 4 directors



including 1 non-executive director, and 3 independent non-executive directors

Chaired by Anthony Neoh, an independent non-executive director

In 2024, the committee convened

1 meeting

with a perfect attendance rate

Strategy and Sustainability Committee

The committee has 8 directors



including 2 executive directors, 3 non-executive directors, and 3 independent non-executive directors, one of whom was newly appointed during the year

Chaired by Xi Guohua, the Chairman

In 2024, the committee convened

1 meeting

with a perfect attendance rate

Board Skills & Diversity

The Company attaches importance to having diverse board members and has formulated the CITIC Limited Policy on the Diversity of Board Members. In the nomination and election of directors, candidates are examined and judged based on their know-how, experience and background, nationality, race, gender, knowledge, and seniority, among other merits required for becoming a Board Member. A diverse Board of Directors helps improve the performance of the Board, promotes sound decision-making, and introduces standards for corporate governance and supervision.

The Company has measurable goals for the diversity of board members, specifically: board members need to be eligible in terms of their knowledge and experience, skills, independence, age, gender, and nationality; independent

non-executive directors should account for no less than one-third of board members and each board committee shall have a sufficient number of independent directors; the proportion of female directors shall be gradually increased for greater gender diversity of board members; a Board of Directors with members from different nations can have a broader perspective and provide different insights. The Nomination Committee is responsible for supervising the implementation and effectiveness of the diversity policy, including reviewing the current structure of the Board of Directors, the number of directors, board composition and diversity, and reporting to the Board achievements in diversity goals. The table below sets out information about the composition of the board in terms of gender, age, professional background, and nationality.

Diversity of board members



Directors aged 50-59	50%
Directors aged 60-69	18.75%
Directors over 70 years old	31.25%

Male directors	87.50%
Female directors	12.50%

Professional background

Control theory and engineering, management studies, finance, business administration, computer science, Chinese language and literature, law, political science, economics, financial management, etc

Nationality

Chinese Mainland, Hong Kong SAR, Japan, the United States, etc

Directors' Continuous Professional Development Programme

CITIC Corporation continues to provide directors with professional development programmes to strengthen their comprehensive understanding of the Company's business development and of the industries in which we operate, continuously improving directors' ability to perform their duties and make decisions. The Company provides directors with monthly business updates, the latest developments in corporate governance, and materials on relevant laws and regulations, and arranges occasional training sessions for board members. During the year under review and up to the date of this report, two new directors were appointed. The Company has arranged for them to attend training on the laws of Hong Kong and HKEx listing rules.

In October 2024, several directors attended the 2024 ESG Global Leaders Conference in Shanghai jointly held by CITIC and Sina Group. An independent non-executive director delivered a keynote speech at the conference and was interviewed by media outlets about the Company's ESG practices and achievements. In November 2024, directors attended the Strategy and Sustainable Development Committee meeting, a retreat for the directors, where they discussed CITIC's corporate strategies, business development, and ESG management.

CASE

Inspection Visits Arranged for Directors to Ensure They Have Sufficient Access to Information for Supervision and Management Purposes

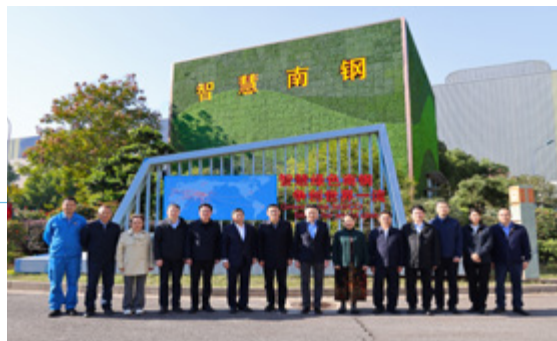


The Company arranges inspection visits for directors every year. In 2024, the Company arranged directors to visit CITIC Pacific Special Steel, Nanjing Iron & Steel, CSC Financial, LongPing High Tech, and Zhengzhou Branch of CITIC Bank, etc. The directors were briefed on the operations and management of the subsidiaries to acquire an in-depth understanding of their production and operations, technological innovations, digital infrastructure construction, risk prevention and control and their performance in corporate social responsibility, to ensure that directors have sufficient access to information for supervision and management purposes, and to improve their performance.



Directors paying a visit to LongPing High Tech

Directors paying a visit to Nanjing Iron & Steel



Executive Compensation Policy

The Company has established an executive compensation and assessment management system. The Board of Directors is responsible for determining the remuneration of senior executives, including salaries, bonuses, benefits in kind, pensions, and compensation (including compensation payable for termination of position or appointment). When approving the proposed remuneration packages for management, the Remuneration Committee considers whether and how the Company's development goals set by the Board of Directors have been achieved, with reference to the remuneration levels applicable in the industry, to ensure that a reasonable remuneration package is offered in accordance with the regulatory requirements on remuneration for senior managers to motivate senior managers and protect the interests of shareholders.

Pay Linked to Sustainability

Performance evaluations of the Company's management are linked to indicators related to sustainability, with an accumulated weight of more than

10%

The Company continuously improves the performance appraisal system and the compensation distribution system and continues to promote a sustainability-linked approach. In terms of compensation management, we adhere to the principles of "Serving the Company's development strategies; Determining compensation based on performance; Matching responsibilities, authority, and benefits; Laying equal emphasis on motivation and checks; and Attaching due importance to efficiency and fairness" to promote the Company's high-quality and sustainable development. The compensation for the Company's senior managers consists of three parts: a basic annual salary, performance-related pay, and term-based incentives. Basic annual salaries are determined from a certain multiple of the average salary of on-the-job employees at central enterprises. Performance-related pay is based on the basic annual salary and linked to performance assessment results. Term-based incentives are determined as a certain proportion of the total salary over three years of a senior manager's term and linked to performance assessment results.

In accordance with the "Financial Enterprise Performance Evaluation Methods" and other relevant regulations, performance evaluations of the Company's management are linked to indicators related to sustainability, such as the percentage of green loans and inclusive loans to micro and small businesses, and risk prevention and control, with an accumulated weight of more than 10%.

Improving the Clawbacks & Malus Mechanism

In order to improve the mechanism designed to leverage compensation as an incentive and a check, and to use performance-related pay to drive the Company's operations and management, the Company has formulated and implemented the Opinions on Establishing and Improving the Compensation Recourse and Deduction Mechanism (for trial implementation) and the Company's Measures for Ensuring Accountability in Case of a Risk Event (for trial implementation). A mechanism for compensation clawbacks & malus applies to senior managers and personnel in relevant responsible positions to balance the relationship between immediate and long-term benefits and risks and to ensure compensation incentives match risk-adjusted performance. The Company defers the payment of annual performance pay for employees in leadership roles. More than 40% of the pay is deferred for a period of no less than 3 years. In 2024, two former employees of the Company in mid-level and senior manager roles were subject to disciplinary actions, with the Company taking action to recover and deduct their pay, accordingly.

Applicability	Under the compensation clawbacks & malus mechanism, the Company can recover a portion of performance pay that has already been paid and suspend any portion that has not. Performance pay includes annual performance pay, term-based pay, or any other incentive pay.
Who the mechanism applies to	All senior managers and employees in relevant responsible positions, as well as former employees and retirees. The Company requires its subsidiaries to establish a compensation recovery and deduction mechanism based on their own actual circumstances.
Trigger	- In cases of fraud in performance appraisal results, violations of salary management procedures, illegal or wrong payments of salaries, or unauthorised additions of incentive items in compensation packages, all overpaid performance pay will be recovered; - In cases of serious failures to meet, or serious deviations from, any key regulatory indicators, any risk disposal actions taken by a regulator, or any adverse effects caused by major risk events, part or all of the performance pay of the main responsible person will be recovered; - If any employee fails to be diligent and exercise due care in the performance of his/her duties, leading to a serious violation of laws and regulations or loss of state-owned assets or abnormal exposures, part or all of the employee's performance pay within the corresponding period will be deducted or recovered depending on how the responsibility is attributed; - In cases where it is deemed necessary that an employee be subject to a salary-linked punishment for a violation of discipline, regulations or laws, a penalty will be imposed in accordance with relevant disciplinary rules.
Procedures	Necessary internal decision-making procedures are performed where any compensation should be recovered or deducted: - The risk management, compliance, audit, finance, discipline inspection, and other departments shall, in accordance with their responsibilities, initiate a compensation recourse or deduction request, attribute the responsibilities, and provide the assessment results; - The person against whom a recourse or deduction request is initiated should be consulted, and if he/she objects, a complaint together with supporting materials can be submitted; - The Human Resources Department is responsible for the calculation of the amount to be recovered or deducted and takes action as needed. A written notice on compensation recourse or deduction should be served on the person involved.

Integrity and Compliance-based Operations

CITIC Limited has always been committed to strengthening compliance management and deepening the construction of its compliance management mechanism. In accordance with the Basic Norms for Enterprise Internal Control alongside the Company's Compliance Management Measures and relevant supporting guidelines, and in line with the "business management must cover compliance" principle, CITIC Limited continues to strengthen the construction of compliance and internal control systems, has built a closed loop of internal control covering issues before, during and following risk events, and has embedded compliance requirements into operations and management throughout decision-making, implementation, and supervision in a manner that covers all functions and companies at all levels, and all employees. A compliance responsibility system covering all employees has been established to improve the accountability and rectification mechanisms to drive a systematic approach to compliance culture.

Implementing the New Company Law

During the reporting period, the Company required all relevant subsidiaries to actively implement the revised Company Law that came into effect on July 1, 2024, with a focus on revisions to the law itself and its supporting regulations. Subsidiaries were required to strengthen publicity on and implementation of the revised law and carry out compliance reviews on their Articles of Association, making revisions as necessary. The Company introduced standards for dispatched directors in performing their duties and strengthened their accountability, systematically sorted out the paid-in capital of each subsidiary and formulated rectification plans, implemented the requirements of higher-level authorities on the reform of the Board of Supervisors, and promoted the establishment of an audit committee for subsidiaries that meet set conditions.

Continuously Deepening Compliance Management

Strengthening Compliance Supervision and Governance

As the main body of the core governance framework, the Board of Directors is regularly briefed by senior executives and relevant departments on business ethics and compliance. The Board of Directors and the Audit and Risk Management Committee review reports submitted by management every year, which cover the Company's compliance with business ethics and compliance-based operations, and the implementation of internal policies on business operations and corporate governance. At the same time, the Board of Directors also regularly reviews disciplinary rules, compliance manuals, and other systems and documents applicable to employees and directors to ensure their effectiveness and adaptability.

In 2024, the Company improved its compliance management system, revised the *Management Measures for Enforcing Compliance with Systems (2024)*, and formulated the *Rules on the Internalisation of External Regulations* in order to coordinate, unify, and standardise the Company's systems and management requirements. To deepen the approach to breaches of rules, the Company formulated the *Provisions on Reporting Violations of Laws and Regula-*

tions to improve reporting mechanisms, held regular talks on compliance, and implemented quarterly tracking. Relevant subsidiaries were required to carry out governance campaigns against violations. The Company signed the Letter of Responsibility for Compliance-Based Operations with the heads of subsidiaries. We also optimised the compliance reporting mechanism, adopted an integrated approach to risk management, compliance, and internal control evaluation, inspected the progress on the construction of the compliance management system, and prepared the Compliance Management Report and the Compliance Report which were submitted to the Risk Management Committee at the management level and the Audit and Risk Management Committee of the Board of Directors for review and approval. The Company strengthened internal control over overseas compliance management, promoted the integration of relevant internal controls, and formulated the Guidelines for Key Points in Overseas Compliance and Manual for Key Points in Sanctions Compliance Management in overseas countries and regions to strengthen the guidance for overseas subsidiaries on compliance-based operations.



CITIC and its subsidiaries
carried out more than

6,000

anti-corruption
awareness campaigns



The Company has
organised more than

400

training sessions
on anti-corruption,
discipline, and ethics

Strengthening Employees' Compliance Awareness

The Company continues to provide compliance and business ethics training to all employees, using a variety of methods, including off-line learning, courses, training on special topics, and assessments, that encourage employees to abide by business ethics and comply with all applicable laws and regulations and the Company's rules.

During the reporting period, CITIC and its subsidiaries carried out more than 6,000 anti-corruption awareness campaigns and organised more than 400 training sessions on anti-corruption, discipline, and ethics. The

Company has continued to strengthen compliance training and deliver thematic compliance training sessions on the Company Law, the handling of and response to misrepresentations in the securities business, and safeguarding against compliance risks in overseas investments for managers, risk management, and compliance functions, and business functions. The Company has prepared and released 12 issues of CITIC Law Forum, and published a total of 57 articles, including those on new regulations, risk management guides, and the economic situation, read by an audience of more than 32,000 throughout the year.

◆ CITIC Financial Holdings

Adhering to a problem-oriented, risk-oriented approach, and involving subsidiaries in a three-year compliance and internal control improvement campaign focussed on identifying and addressing risks and evaluating internal control. At the same time, promoting the quantitative evaluation of compliance management, shifting from a qualitative to a quantitative approach in compliance assessment and evaluation, integrating business operations and compliance, and driving a transition from post-incident management to pre-incident warning and prevention in compliance efforts.

◆ CITIC Securities

In order to effectively identify violations or potential compliance risks, the Compliance Inspection and Monitoring System and the Compliance Reporting System have been formulated, to identify compliance risks, forestall compliance risk events, and supervise relevant departments and personnel to take remedial actions based on the principles of objectivity, impartiality, independence, and standardisation.

◆ CITIC Pacific

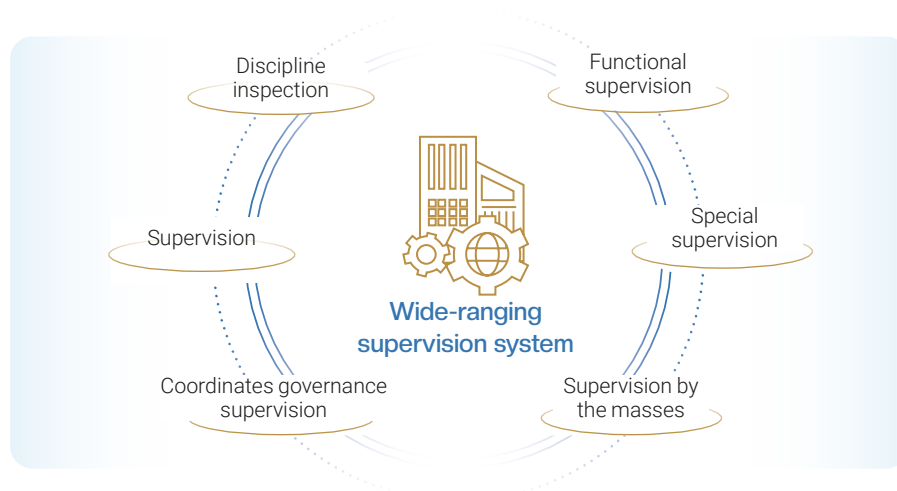
Delivering comprehensive compliance courses for all employees required to complete assessment. To strengthen their compliance awareness, CITIC Pacific has organised a Corporate Culture and Compliance Learning Series for all new employees. During the year, all new hires completed the relevant training.

Anti-corruption Governance

The Company strictly abides by the regulatory requirements of the jurisdictions in which it operates, sets the tone for strict supervision, and takes practical measures to promote the building of a culture of integrity and to continue the fight against bribery and corruption. Progress has been made in this regard. In order to establish systems and introduce standards for bribery and anti-corruption work, the Company has woven a network of anti-corruption systems based on underlying laws and regulations, guidance, and directives. The Company strengthens discipline inspection, with a focus on abuses of power for personal gains, corruption, and bribery. In 2024, the Company carried out routine inspections on four subsidiaries, CITIC Metal, CITIC Holdings, CITIC Finance, and CITIC Consulting, and supervised 18 subsidiaries in launching inspections. We carried out special campaigns against business activities undertaken by employees in violation of discipline, cross-border corruption, and other issues. The Company comprehensively implements the Anti-Corruption Code of CITIC Limited, continues to safeguard against and prevent bribery, extortion, fraud, money laundering, and unfair competition, and resolutely eliminates all kinds of corruption and acts against business ethics. The Code applies to all personnel (including directors, staff, and any persons acting on behalf of the Company), all subsidiaries of the Company, and all businesses managed or controlled by the Company.

Building a Wide-Ranging Supervision System

The Company has built a wide-ranging supervision system built upon discipline inspection and supervision, and coordinates governance supervision, functional supervision, special supervision, and supervision by the masses. Joint meetings are regularly held with a working mechanism that covers consultation and research, collaboration in rectification, and the transfer of leads, and bulletins and warnings, established to effectively enhance the systematicity, continuity, and timeliness of internal supervision. In 2024, the Company steadily promoted the construction of a digital supervision platform to enable targeted and efficient supervision and sound decision-making.



Overseas Integrity and Compliance Management

The Company has built a sound system for the prevention and control of overseas integrity risks, has established a leading group on overseas integrity and compliance management, has assessed the key matters, continues to improve overseas integrity-related systems, has formulated an annual work plan for cross-border corruption governance and for division of tasks, and coordinates remedial actions against overseas investments and business activities by employees against discipline, violations of financial discipline, acquisitions of an overseas identity against discipline, and the charging of commission and intermediary fees for personal gain.

The Company has defined red lines for overseas operations and management and organised several special training sessions around topics including overseas compliance risks, overseas institutions, and personnel safety, through explaining the relevant systems and by sharing cases, to build an ideological line of defence for employees against corruption.

CASE

An overseas compliance management-themed culture building programme by CITIC Pacific special steel



CITIC Pacific Special Steel System devised an approach to building its risk and compliance culture as a steelmaker, focusing on the following five aspects: ideology, checks, publicity and implementation, behaviour, and security, to promote the internalisation, institutionalisation, externalisation, and effectiveness of the risk and compliance culture around 15 key elements.



CITIC Special Steel carried out high-end training sessions on overseas compliance as part of its Overseas Compliance Culture Month activities

Continuing to Deepen Anti-Corruption Efforts in Financial Sectors

The Company actively implements national regulatory requirements on anti-corruption in the financial area, adapts to enhanced supervision, and combines efforts to fight corruption to prevent financial risks and drive a coordinated approach to relevant work. The Company has continued to strengthen its anti-corruption efforts in the financial segment, optimising its internal governance mechanism, and improving its ability and effectiveness in preventing financial corruption and holding those engaged in corrupt practices accountable. By enhancing political supervision, supervising remedial actions, and refining day-to-day oversight, the Company keeps a close eye on early indications of corruption and endeavours to strengthen case-based governance. During the year, the Company investigated and dealt with a number of corruption cases in the financial field, laying a solid foundation for the steady development of a comprehensive financial business.

Business Ethics Practice

The Company has always placed the integrity, ethics and professional conduct of employees in the most prominent position. We have therefore formulated and strictly implemented the *Code of Conduct of CITIC Limited* (Code of Conduct). The Code of Conduct comprehensively covers the requirements of employees' personal behaviour (regarding bribery, illegal acceptance of gifts and commissions, and the acceptance and provision of hospitality), relationships with suppliers and contractors, relationships with customers and consumers, employment regulations, and compliance supervision and enforcement methods. By means of education, supervision and assessment, the Company ensures that employee behaviour conforms to the highest professional ethics standards.

Ethical Standards for Employees

involving

190,000

people to be reviewed

The Company explicitly requires all employees, including directors, full-time employees, and all personnel working for CITIC Limited (including interns, dispatched workers, suppliers/contractors, and other third-party employees) to understand and strictly abide by the Code of Conduct, and to not commit any dishonest or corruptive acts. On this basis, the Company checks and summarises employee conduct every six months, thereby ensuring that each employee fully complies with laws, regulations and company policies in their daily work and related business activities, so as to maintain the Company's reputation and business ethics. In 2024, the Company carried out analysis and summary of the implementation of the Code of Conduct, and issued notices to 11 functional departments and 22 subsidiaries, involving 190,000 people to be reviewed.

Outline of Employee Code of Conduct

Individual behaviour of directors and employees

- Bribery, illegal gifts and commissions
- Acceptance and provision of hospitality
- Use of confidential data
- Cases involving conflict of interest
- Illegitimate use of CITIC's assets and resources
- Loans
- Individual behaviour outside working hours

Relationships with suppliers and contractors

- Fair and open competition
- Fulfilment of public interests and accountability standards
- Procurement and bidding procedures
- Bribery and corruption behaviour
- Payment procedures

Relationships with customers and consumers

- Customer services
- Dedicated to providing customers with top quality products and services
- Product safety and serviceability

Employment regulations

- Occupational health and safety
- Equal access to employment opportunities
- Privacy
- Communication
- Career development and remuneration
- Stipulations on alcohol and drug addiction
- Gambling

Compliance supervision and enforcement methods

- Knowledge and observance of the Code of Conduct
- Violation of the Code of Conduct
- Complaints
- Whistle blowing

We have launched different training sessions on professional ethics, anti-fraud, and anti-corruption in accordance with industry characteristics and job levels. We make comprehensive use of publicity platforms such as the intranet, WeChat Official Account, and APPs to instruct employees on how to behave well and build a clean and upright working mindset.

Whistle blowing

With accessible reporting channels in place, including letters, visits, and e-mail, we strictly follow the Rules for Handling Reports and Accusations by Disciplinary Inspection and Supervision Organisations to receive and handle whistle blowing. Furthermore, we have laid down the Administration Measures for Reporting, the Administrative Measures for Petition, the Measures for Encouraging Real-Name Reporting and Punishing False Accusations and Framing, and the Whistle blowing Policies and Guidelines for Handling Whistle Blowing for our operations in Hong Kong to specify the scopes of acceptance, channels, and procedures for handling whistle blowing and complaints. Units or individuals in violation of laws and regulations, proven to be true after verification, are subject to punishment by related departments in accordance with administration authorities or transferred to judicial organs for investigation according to the law if criminal activity is suspected.



Reporting Channels

Disciplinary inspection, supervision, and petition institutions at all levels have publicly disclosed their scope of acceptance for handling reporting and complaints, mailing address, reception address, reporting hotline, fax number, email address, and reporting mailbox.

The headquarters has opened a mailbox for the Chairman and CEO (chairmanpresident@citic.com), which is monitored by a dedicated person who forwards these emails to the disciplinary inspection, supervision, or petition institutions for processing.



Whistleblower Protection

We respect the reasonable demands of whistleblowers and protect their legitimate rights. We strictly implement the confidentiality system, and keep confidential the report contents and the name, work unit and address of the whistleblower. We strictly prohibit the transfer or notification of the reporting materials to the organisation or person being reported or charged. Disciplinary inspection personnel who divulge the whistleblower's personal information or reporting content or provide convenience for retaliating against the whistleblower shall be severely punished and investigated for legal responsibility according to law.

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Petition Email: xinfang@citic.com
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Hong Kong Headquarters

Email: zxfjfb@citic.com
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Following the principle of "Seeking Truth from Facts, Recusal, and Confidentiality," we safeguard the rights, interests, and private information of whistleblowers, maintain strict confidentiality of the materials reported using their real names, restrict the dissemination of their information, and prohibit divulging any information about them. Divulging the source of evidence during the process of verifying issues reported using real names is prohibited. The recusal system should be faithfully upheld during supervision and discipline enforcement. Taking revenge on whistleblowers and their relatives is prohibited. Any violation of a whistleblower's legal rights should be looked into and dealt with sternly in order to safeguard their interests and lawful rights.

Anti-money Laundering and Countering Terrorism Financing

The Company strictly abides by the laws, regulations and regulatory requirements of the countries and regions in which its businesses are located and has put in place a sound and complete administrative structure for anti-money laundering, with an explicitly-defined division of duties, and incorporated own accord anti-money laundering risks into the system of comprehensive risk management to strengthen the building of an internal control system for anti-money laundering. Relying on CITIC Financial Holdings, a platform Company providing comprehensive financial services, we have reinforced control of capital, risk, and related-party transactions in our subordinate financial institutions to forestall anti-money laundering and maintain financial order.

CITIC Financial Holdings has formulated the *Administrative Measures for Anti-money Laundering and Countering Terrorism Financing* to build a full-process anti-money laundering system, requiring all employees to jointly prevent money laundering and terrorist financing risks during business operations. Subordinate companies implement the unified anti-money laundering requirements and have established an internal anti-money laundering control management system aligned with their own risk profiles, based on the principle that the stricter requirement should prevail. The Board of Directors of CITIC Financial Holdings discharges its administrative duties in accordance with its articles of association and relevant regulatory requirements, with management being responsible for implementing risk management for anti-money laundering.

Enhancing Audit Oversight

The Company strictly abides the laws and regulations, such as the Corporate Governance Code issued by Hong Kong Exchanges and Clearing Limited (HKEX), and solidly advances the building of an audit system. We have set up the Audit and Risk Committee under the board of directors. The Company's internal audit function reports to the Audit and Risk Committee quarterly on the implementation status of audit work, audit problems found and rectification, and the audit of human resources. We have established internal audit departments in the headquarters and important subsidiaries, where about 700 internal auditors are engaged. The Company carries out internal audit quality assessment of subsidiaries every year to assess audit management, audit quality, audit performance, audit collaboration, and other aspects to continuously improve the supervision efficiency of the audit system.

The Company ensures full coverage of audit work by establishing and improving a compatible working mechanism, thereby eliminating the blind spot of audit supervision and improving the audit coverage. Upholding the principle of "carrying out audits wherever it is necessary and in a strict manner", internal audit departments at all levels carry out independent supervision over the implementation of major national policies and measures, the implementation of the Company's development plans and decisions, internal control and risk management, financial revenue and expenditure, fixed asset investment projects,

natural resource asset management, and the implementation of ecological environment protection responsibilities, internal control and risk management. Audit efforts are strengthened in key areas, with the aim of improving the Company's operations and management, achieving its development goals, and fully leveraging the important role of the internal audit in the corporate governance and supervision system.

The Company has formulated basic policies such as Internal Audit Management Regulations, Internal Audit Findings Rectification Management Measures, Internal Audit Management Measures for Subsidiaries, Internal Audit Work Quality Assessment Management Measures for Subsidiaries, and defined basic requirements for internal audit system construction, internal audit responsibilities and authorities, internal audit procedures, and the application of internal audit results. The Company has also formulated business codes such as the Code for the Implementation of Internal Audit Projects, the Code of Ethics for Internal Audit Personnel, and the Management Code for Follow up Education of Internal Auditors, which define the quality control standards for the whole audit process and the professional ethics, professional discipline, and professional responsibilities that internal auditors should bear, requiring internal auditors to participate in profession-related training for no less than 40 hours every year, and ensuring the quality and effectiveness of audit work.



An internal auditor training held by the Company

Audits of Ethical Standards

The Company formulated the Internal Audit Business Norms - Inspection and Report on Fraud to standardise and strengthen the business ethics audit, while promoting the establishment, improvement and effective implementation of internal control to prevent, detect and rectify fraud. With a focus on business ethics, audit departments at all levels complete regular audits on the behaviour of employees of subordinate companies every three years to prevent and mitigate fraud risk in key areas such as sales, procurement, credit approval, asset disposal, remuneration, and expenses.

Information Security Audit

The Company formulated the Internal Audit Guidelines - Information System Audit to standardise and strengthen information security audits. We independently inspected the development and use, management and maintenance, and information security status of information systems according to regulatory requirements and business conditions, so as to improve the level of information security and security protection efficiency.

Financial subsidiaries, such as CITIC Bank, CITIC Securities, and CSC Financial, strictly comply with regulatory requirements and carry out information security audit through internal audits and the engagement of independent third parties for audits and other approaches, covering data security, client information protection, network security, information system security, and other key fields.



Strengthening Comprehensive Risk Management

With effective risk resolution as one of the key tasks of reform, the Company continues to make its comprehensive risk management system more thorough, proactive, actionable, and coordinated. Based on its business development and control model, and with risk preference as guidance, the Company and its subsidiaries have established a hierarchical and classified risk management policy system to improve various risk management mechanisms and strengthen the construction of a risk compliance culture. This will help the Company effectively weave a "protective net" and build a "firewall" to protect its high-quality development.

Risk Strategies and Risk Appetites

The Company developed a five-year risk strategy in 2021. In 2024, the Company focused on consolidating and improving the existing mechanisms, as well as the management of key areas and weaknesses, promoting control requirements in grassroots units and business front ends, constantly expanding the breadth, depth and content of the comprehensive risk management system, and improving management effectiveness across multiple aspects.

The Company has established a cross-legal entity, multi-level, and integrated corporate risk preference system, which determines the total amount, bottom line, structure, and limit of risks taken by combining qualitative and quantitative methods, establishing a full-process management mechanism for risk appetite setting, transmission, implementation, monitoring and reporting. In 2024, the Company further optimised risk preference indicators, urged industrial subsidiaries to complete the "one company, one page" indicator setting, organised indicator monitoring, analysed the reasons for out of limit indicators, and took timely countermeasures to address the issues identified.

Risk Management Framework

The Company has built a comprehensive risk management framework comprising "Four Levels" and "Three Lines of Defence". The Board of Directors bears overall responsibility for maintaining a sound and effective risk management system. The Audit and Risk Committee, acting on behalf of the Board of Directors, monitors the Company's financial reporting system and risk management system, reviews and supervises the effectiveness of the internal audit function, and reviews the Company's corporate governance policies and practices. The Audit Compliance Department actively plays a leading role in risk management, with relevant functional departments responsible for managing various risks in a professional manner. Under the comprehensive risk management framework, each member unit identifies and effectively manages its risks, and provides timely risk reporting.

Risk Management Procedures

We have established risk management processes for all aspects of our operations with a prioritised focus that enables a seamless and full-process connection of the management and the control mechanism to prevent systematic risk. We regularly carry out risk identification, assessment and monitoring, improving the risk reporting mechanism while conducting in-depth risk analysis. We have established a disposal mechanism for major risk projects to facilitate risk disposal and resolution, and form a closed management loop for risk identification and assessment, monitoring reporting, risk rectification, and disposal.



Financial sectors

To foster "Synergy between CITIC and Our Clients", we have put in place unified credit extension, VIP client management, and concentration management mechanisms to enhance credit risk management and optimise the allocation and use of client concentration quotas. We strengthen risk prevention and resolution in key areas such as real estate and local government financing platforms, while enhancing daily operations, report monitoring and supervision to mitigate risk exposure.



Industrial sectors

We have established a comprehensive risk governance mechanism for industrial sectors, covering all industrial subsidiaries and instructing them to complete "account opening and filing" procedures; we use risk files, risk troubleshooting, layered monitoring, risk reporting, and other means to grasp the risk base, establish tracking accounts, and enable joint management by all responsible departments.

The Company continues to promote the digital transformation of its risk management system, and launched the third phase of its risk management application during the year, further optimising the Company's risk profile, and expanding the risk management module of major risk categories such as legal compliance risks, reputation risks, and production safety risks. The Company has also established an overseas risk profile and risk profiles of industrial subsidiaries to enable online management of important work covering risk preference, violations, intellectual property rights, and litigation cases.

Risk Compliance Culture Building

We uphold the risk control principle that "managing risks can help create benefits" and leverage the guiding role of risk and compliance culture. In 2024, the building of a risk compliance culture "maintaining compliance to navigate risks" was proposed and a risk compliance culture construction initiative was released, aimed at incorporating risk and compliance culture into administrative mechanisms, policies and systems, business rules, and codes of conduct among other parts of operations and management.

CASE

CITIC Bank launched the "Risk Compliance Culture Season" for the ninth consecutive year



CITIC Bank, guided by a financial culture with Chinese characteristics, systematically deployed 19 key tasks in four aspects, namely, "grassroots cultural infiltration, system targeted governance, risk compliance investigation, and key area troubleshooting", carried out the Risk Compliance Culture Season activity for the ninth consecutive year, promoted compliance culture, typical case sharing, policy and systems training, and other compliance culture construction work to cultivate a sound compliance ecology.

ESG-Related Risk Identification and Prevention

The Company comprehensively identifies and analyses various risk factors that may affect its own business and the realisation of its objectives. According to policy guidance, regulatory requirements, and changes in the external environment, based on business needs and management practices, the Company makes timely adjustments or adds new risk types, steadily integrates climate and environmental risks, related party transaction risks, and corporate governance risks into the comprehensive risk management system, and conducts dynamic and classified management of risks.

Risk Class	Risk Description	Response
 Climate and environmental risk	In the process of the transition to a low-carbon economy, there are risks of economic losses and negative impacts on enterprises due to major changes in policies, laws, technologies, and markets, or sudden weather events and long-term climate change.	The Company's safety management system is able to receive meteorological disaster risk monitoring and early warning data pushed by the National Emergency Early Warning Information Release Centre, and provide climate early warning services to the headquarters and subsidiaries at all levels, so as to improve the emergency response capability for natural disasters and other emergencies along with disaster prevention and mitigation capabilities.
 Related-party transaction risk	In the interest transfer between the Company and its subsidiaries or other related parties, as well as between subsidiaries, risks or losses may arise due to improper transfer of interests, infringement of investors' or consumers' rights and interests, circumvention of regulatory provisions, or illegal operations.	The Company has strengthened the management of related-party transactions, follows market principles, and prohibits the improper transfer of interests. First, by adopting scale control measures for related party transactions, and setting an upper limit on the scale of different types of related-party transactions. Second, by strictly following the market pricing principle, ensuring fair and reasonable trading conditions, and aligning the interests of the Company and all shareholders. Third, by auditing and reviewing related-party transactions every year according to regulatory requirements and timely and accurately disclosing related-party transaction information to enhance transparency.
 Corporate governance risk	There are risks of economic losses, regulatory penalties, legal disputes and other risks caused by improper corporate governance structure, defective governance mechanism, disorderly governance procedures, inadequate performance of duties by directors and supervisors, non-compliance or poor quality of information disclosure, poor management of related party transactions, etc.	By improving the corporate governance structure, standardising governance procedures, improving the authorisation system, enhancing the performance of duties of directors and supervisors, and strengthening the governance and control of affiliated enterprises, the Company establishes a corporate governance mechanism with legal and transparent rights and responsibilities, coordinated operation, and effective checks and balances, focusing on preventing problems such as insider control, business decision-making risks, and regulatory penalties.

Enhancing Intellectual Property Management

The Company abides by the laws and regulations of countries in which it operates, and formulates internal management measures such as the *Administrative Measures for Intellectual Property* and the *Administrative Measures for Trademarks*, based on the actual development needs of the Company, forming an institutionalised management framework that covers the processes of intellectual property creation, application, and protection. In addition, the Company continues to promote innovation, incorporating patents and other intellectual property rights into technological innovation assessment as bonus points, and provides incentives for applying for invention patents and projects that obtain national patent awards. The Company constantly improves the awareness of intellectual property protection and cracks down on infringement.

As at the end of 2024, CITIC Limited and its subsidiaries had a total of 12,088 valid intellectual property rights, including 9,050 patents and 3,277 inventions. In 2024, 2,184 intellectual property rights were added, including 650 patents, 757 utility and new patents, and 571 software copyrights.

CITIC Limited and its subsidiaries had a total of

12,088

valid intellectual property rights

In 2024,

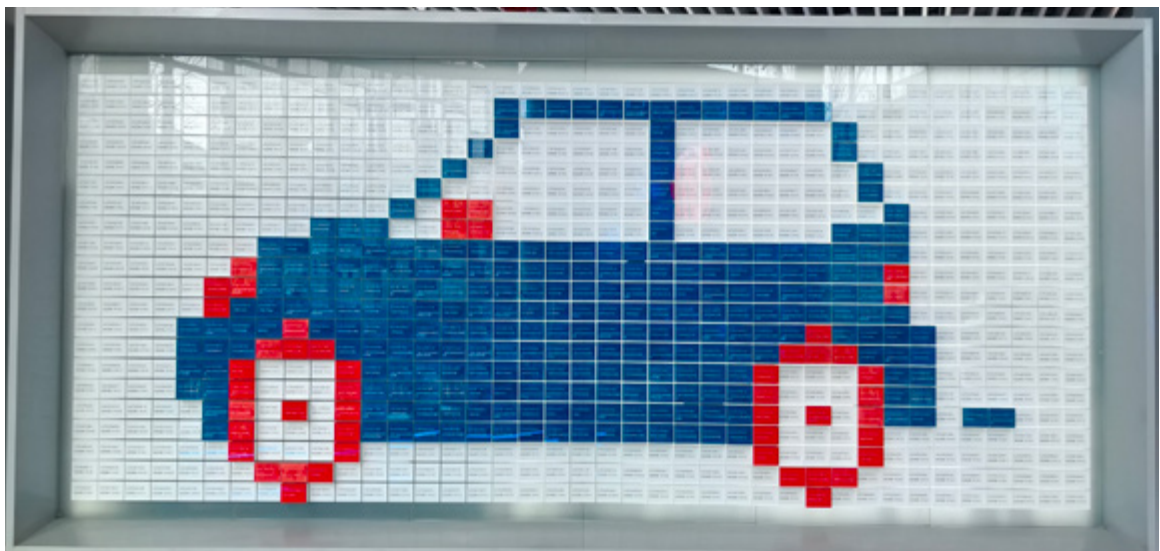
2,184

intellectual property rights were added

CASE

CITIC Dicastal achieved fruitful results in intellectual property applications

CITIC Dicastal attaches great importance to applying for and protecting of intellectual property rights, with the most patent applications in the industry. It is the only "dual demonstration" auto parts enterprise in China with the titles of "national copyright demonstration unit" and "national intellectual property demonstration enterprise". Focusing on key projects such as integrated die casting, smart metallurgy, new materials, and new processes, CITIC Dicastal actively cultivates high-quality and high-value patents, and applies for the China Patent Award for the independently developed, green, and low-carbon technology "casting ladle for casting aluminium alloys". As of now, CITIC Dicastal has applied for more than 8,000 patents, with the self-research rate of core equipment reaching 70%, ranking first among global peers.



CITIC Dicastal's patent wall - A car composed of patent certificates obtained by CITIC Dicastal

Strengthening Supplier Management

The Company continues to deepen the construction of a supply chain ESG governance system, improve the supplier inspection, admission, supervision, evaluation, and exit mechanisms, and strengthen supply chain resilience through systematic full life-cycle management processes. In respect of ESG-related risks, the Company specifically defines the risk identification, supervision and assessment measures for suppliers in terms of the environment, society, business ethics, anti-corruption, and other aspects. In 2024, the supplier review coverage of subsidiaries such as CITIC Bank and CSC Securities was 100%.

Improving Suppliers' Anti-Corruption Mechanism

The Company incorporates anti-corruption governance into the supply chain ESG compliance system, strictly abides by relevant laws and regulations in the bidding and procurement processes, and has formulated the *CITIC Limited Headquarters Procurement Management Regulations* so as to standardise management of the whole procurement process. The Company strengthens anti-corruption work through institutionalised means, has formulated the *Anti-Corruption Code of CITIC Limited*, and has strengthened anti-corruption management for employees and suppliers, with zero tolerance of corruption and fraud. The Company emphasises the adoption of effective supervision mechanisms and control measures in bidding and procurement processes, and requires all personnel (including all suppliers and contractors) who have business cooperation with the Company to comply with the Company's anti-corruption requirements and sign the relevant commitment letter and accept inspection by the Company. The Anti-Corruption Code clearly stipulates that employees are strictly prohibited from accepting intermediary fees, rebates, commissions, cash gifts, etc. from suppliers. Suppliers of the headquarters and subsidiaries must comply with the anti-corruption and anti-bribery requirements in procurement, while corruption and fraud in the bidding and procurement processes are strictly forbidden.

CASE

Nanjing Iron & Steel held a symposium on supplier integrity



Nanjing Iron & Steel held a symposium with suppliers on integrity and cooperation

In 2024, Nanjing Iron & Steel held a symposium on supplier integrity and cooperation at which the Integrity Cooperation Agreement was signed and promoted. At the symposium, the basic principles for integrity cooperation, the responsibilities of both parties, liabilities for breach of contract, and other key contents were clarified in detail. At the same time, the Company carried out a promotion session on "building a friendly and clean cooperation together", advocating suppliers to jointly create a clean, fair and transparent business environment to ensure healthy cooperation. The symposium not only enhanced the integrity awareness within suppliers, but also further promoted mutual trust and win-win conditions between the Company and suppliers, so as to create a healthy and sustainable supply chain system.

Subsidiaries' practices in improving supplier management

Risk response

◆ Nanjing Iron & Steel

Nanjing Iron & Steel attaches great importance to risk management of the supply chain, focusing on suppliers with insufficient resources, declining competitiveness, dependence, equity risk, and other aspects, and establishes a sound risk response mechanism to ensure the security and stability of the supply chain.

Strengthening centralised procurement management

◆ CITIC Trust

CITIC Trust has revised the *Administrative Measures for Procurement* to implement the "separation of management and procurement" principle; according to the company requirements and the actual needs of the procurement work, the *Rules of Procedure of the Procurement Management Committee* were formulated to refine the organisational structure of procurement management.

Sustainable development risk assessment

◆ CITIC Securities

CITIC Securities carries out risk assessment on the sustainable development of supply chain, examines the performance of suppliers in environmental and social aspects, conducts comprehensive assessment on suppliers' product quality, service mindset, sustainable development, and business ethics to identify risks related to suppliers. A supplier exit mechanism has been established to remove suppliers failing to meet the criteria and to continuously enrich and optimise the supplier resource pool.

Supplier anti-corruption

◆ CITIC Pacific Mining

CITIC Pacific Mining has embedded relevant anti-corruption and anti-bribery laws and regulations into the standard contract model and negotiation contract, requiring all suppliers to strictly abide by the Anti Bribery and Corruption Act of the Commonwealth of Australia and Western Australia to ensure transparency and fairness within the supply chain.

Supplier admissions review

◆ CITIC Metal Group

CITIC Metal Holdings under the CITIC Metal Group has laid down the Administrative Regulations for Counterparties and relevant rules to administer supplier admissions and credit ratings, screening and admitting suppliers based on their company background, financial status, supply capacity, etc., and regularly reviewing the counterparty's credit status.

Green procurement practices

◆ CITIC Press

The environmental management system certification, the energy management system certification, the China Environmental Labelling Product Management System certification, and FSC\PEFC certification are required for a company to be admitted as book manufacturer; ISO14001 / green printing qualification / pollution discharge certificate / other environmental certification are required for a company to be admitted as printing supplier; the wastewater and exhaust emissions equipment and operation process of the admitted suppliers are supervised and evaluated every year.

Improving the Supplier Communication Mechanism

The Company continues to deepen the construction of a supplier strategic coordination mechanism, while building a symbiotic supply chain ecosystem through a systematic full life-cycle management process. The Company attaches importance to establishing close cooperation with suppliers, strengthening communication with suppliers, and building mutual trust and mutually beneficial relationships.

CASE

CITIC Heavy Industries held an annual supplier conference



CITIC Heavy Industries' annual supplier conference

In 2024, CITIC Heavy Industries held the "Annual Supplier Conference of CITIC Heavy Industries: Strengthening Cooperation for Mutual Benefits, Deepening Development to Create a Better Future", inviting a total of 169 representatives from 62 strategic and high-quality suppliers to attend the conference. The conference summarised past experiences, shared the future vision, and proposed working together to strengthen supply chain resilience in win-win cooperation and speed up high-quality development, to build a world-class supply chain system. In 2024, CITIC Heavy Industries assessed 4,436 suppliers, including 143 excellent suppliers, 3,766 qualified suppliers, 527 unqualified suppliers, and 20 blacklisted suppliers due to violation of rules. The results reflected CITIC Heavy Industries' great attention to supply chain management.

Maintaining Integrity and Building an Integrity-based Culture



CITIC Limited incorporates integrity-based culture building into its core governance framework and regards it as fundamental to enterprise development. With the aim of fighting corruption and strengthening the construction of an integrity-based culture, the Company guides all employees to improve their integrity and forge a noble character. By cultivating a clean and honest culture, the Company effectively regulates the conduct and ethics of employees, promotes the stable and healthy development of the enterprise, and incorporates the integrity-based culture into enterprise development to gather strength for high-quality development.

In 2024, the Company formulated the *Guiding Opinions on Strengthening the Construction of an Integrity-based Culture*, leveraging the building of the integrity-based culture to improve staff conduct, cultivate talent, and enlighten people, to guide staff to devote themselves to the development of the enterprise with a spirited and promising attitude. At the same time, warning education is provided regularly to guide employees and help them learn from mistakes, so as to strengthen the ideological defence against corruption.

Deepening employee training on integrity-based culture and ethical standards

To reinforce anti-corruption training for the Board of Directors, the management, and all employees (including interns, dispatched workers, suppliers/contractors and other third-party employees), the Company incorporates legal compliance, integrity, professional ethics, and the code of employee conduct as compulsory courses into all training sessions held via online or offline channels, offering warning education and holding online lectures to ensure staff respect and adhere to laws and regulations.

The Company continues to build an integrity-based culture, improving the moral quality of all employees, creating a long-term mechanism for the construction of integrity-based culture through cultivating and promoting the integrity value, improving the integrity culture system, and solidly carrying out anti-corruption education. In 2024, the Company leveraged the "Breeze Messenger" platform to promote CITIC's characteristic culture of integrity, releasing 12 self-created short videos, 10 excellent grass-roots works, and 25 pieces of information, attracting more than 180,000 clicks.

CITIC Bank

CITIC Bank has established a systematic compliance training system, providing various trainings related to ethics standards and compliance for all employees of the Bank (including contracted employees and dispatched employees). At the same time, leading cadres at all levels take the initiative in giving lectures on compliance and typical cases, holding "four compliance classes" education at the grass-roots level, including a compliance class for department heads, a line of business compliance class, a new employee compliance class, and an online compliance class for all staff; the Bank upgraded the "new 5C" compliance publicity and implementation platform, and carried out more than 20,000 compliance training sessions and 10,000 warning education sessions throughout the year.



◆ CITIC Securities

CITIC Securities carries out integrity publicity and education, continues to use the "Discipline Inspection Column", "Compliance Column", "CITICS Compliance Window", and other internal websites, and the enterprise WeChat and WeChat public accounts to publish relevant policies and norms on integrity and anti-corruption. It also analyses the prominent areas and behaviour characteristics of corruptive behaviour and misconduct by securities companies based on statistics of regulatory cases in the securities industry. In addition, the column "Compulsory Courses for Securities Industry Practitioners" was created under the "CITICS Compliance Window", with the contents of the *Rules for the Implementation of Integrity-based Practices of Securities Companies and Relevant Staff* being released.



■ CITIC Securities promotes the Rules for the Implementation of Integrity-based Practices of Securities Companies and Relevant Staff

◆ CSC Financial

In 2024, an online training on integrity for all staff was held. Institutions at all levels organised 344 learning activities, with all staff passing the examination related to the integrity regulations. During the year, 134 educational materials, such as interpretation of disciplinary regulations, holiday discipline reminders, typical cases of violation of discipline and laws, family customs and family education publicity, were released through the "Discipline Inspection Garden" module of enterprise WeChat, promoting a strong atmosphere of integrity and anti-corruption.

02

PRACTISING THE GREEN DEVELOPMENT CONCEPT TO BUILD A CLEAN AND BEAUTIFUL WORLD

Faced with the deepening of global climate governance and opportunities brought about by China's "carbon peaking and carbon neutrality" ("Dual Carbon") strategy, CITIC Limited is deeply integrating the low-carbon transformation into its enterprise development strategy. Green development is not only fundamental to solving ecological and environmental problems, but also an internal requirement to promoting high-quality economic development. As a wide-ranging business group, the Company actively practises the new development concept, adheres to sustainable and high-quality green development, continues to deepen its low-carbon development strategy, constantly explores unique practices in the green and low-carbon transformation of comprehensive business, and forges ahead in the process of comprehensively promoting the construction of a beautiful China. At the same time, the Company attaches great importance to biodiversity conservation, formulates measures for biodiversity conservation improvement in terms of finance and industry, increases support in key areas and regions of ecological protection, and continues to promote the innovative development of ecological protection.



HIGHLIGHTS

- ◇ We have strengthened the priority of the green and low-carbon agenda, formulated a low-carbon development strategy of "Two Increases and One Reduction", defined CITIC's goal for "carbon peaking and carbon neutrality", and formulated the 2024-2025 Action Plan for Energy Conservation and Carbon Reduction.
- ◇ The Company has prepared a dual carbon profit and loss statement, actively participates in the carbon trading market, and has completed the largest carbon asset repurchase transaction in the national carbon market.
- ◇ We have strengthened the innovation and research of clean technology and promoted green and low-carbon transformation and development; Jiangyin Xingcheng Special Steel Works and other factories won the title of "leader" in China's industrial carbon peaking field, were listed on the "Green Factory" list of the Ministry of Industry and Information Technology, and were awarded the title of "Green Development Benchmark Enterprise" in the steel industry.
- ◇ We have continued to promote the environmental governance business and have boosted green cooperation in the Belt and Road Initiative. CITIC Environment won a bid for a waste landfill restoration project in Mesayed and Umm in Qatar, the largest garbage landfill project in Asia.
- ◇ We have built a "five in one" green financial comprehensive service system comprising green financing, green investment, green consulting, green life, and carbon management. Our green loans are growing year by year; the scale of our green equity financing services and green bond underwriting business is leading the market; we launched the first blue convertible bonds in the world.
- ◇ We have actively identified climate risks along with the opportunities and challenges brought about to the Company by climate change; we have incorporated climate risk into our comprehensive risk management framework to better respond to global climate change.



Strengthening Dual Carbon Management

The Company strictly abides by relevant environmental laws, regulations and industrial policies, implements the environmental disclosure requirements in Appendix C2 of the Listing Rules of the Hong Kong Stock Exchange, and formulates "Dual Carbon" goals and implementation plans to lead the green and low-carbon transformation of subsidiaries. We are actively strengthening our carbon footprint management, participating in the carbon trading market and contributing to the realisation of the "Dual Carbon" goals.

Enhancing Green and Low-carbon Leadership

Guided by the low-carbon development strategy of "Two Increases and One Reduction", the Company unswervingly follows a green development path. CITIC Limited has formulated the 2024-2025 Action Plan for Energy Conservation and Carbon Reduction, and released a White Paper on Actions to Achieve Carbon Peaking and Carbon Neutrality for the third consecutive year, fully integrating carbon peaking and carbon neutrality goals into the Company's medium and long-term development plan, with the aim of fully grasping the development opportunities of green and low-carbon businesses and promoting CITIC's green and low-carbon transformation and development.

The "Two Increases and One Reduction" low-carbon development strategy

- ◆ Green finance provides financing for the low-carbon transformation of various industries
- ◆ Industry development should aim to intensify the low-carbon transformation of the entire industrial chain and ecosystem



- ◆ Promote the low-carbon transformation of existing carbon-intensive business and high-environmental-impact investment; the planning of new business should be based on the principle of carbon emissions reductions and low environmental impact

CITIC's Carbon Peaking and Carbon Neutrality Goals

Short-term

2025

Achieve an 18% reduction in carbon emissions per unit of output by 2025, compared to 2020 levels

Medium-term

2030

Achieve significant results in green and low-carbon transformation, with overall carbon emissions peaking and then decreasing steadily. Capable subsidiaries should aim to peak their carbon emissions

Long-term

2060

Achieve a comprehensive integration of a green, low-carbon and recycling industrial system and a clean, low-carbon, safe and efficient energy system, with energy utilisation efficiency aligning with world-leading enterprises

Key Tasks in the 2024-2025 Action Plan for Energy Conservation and Carbon Reduction

Key Area	Key Task	Progress
 Steel	Accelerate energy conservation and carbon reduction, and further promote green, low-carbon and high-quality development.	◆ CITIC Pacific Special Steel: By 2025, comprehensive energy consumption per ton of steel should reach 535kg of standard coal per ton of steel; energy consumption in main production processes should achieve the benchmark energy efficiency level. It pledges to realise carbon peaking by 2030. In order to achieve carbon neutrality by 2060, it plans to attain the technical ability to reduce carbon emissions by 20% by 2035. ◆ Nanjing Iron & Steel: "Three-year action plan for maximising energy efficiency" and the "six major" special energy-saving tasks to create a green and efficient energy system. In 2024, it built and operated the largest user-side energy storage power station in China and achieved full-capacity grid connection; the cumulative installed photovoltaic capacity reached 55 MW, leading to a reduction of around 30,000 tons of annual carbon emissions. Established and drove the goal of achieving carbon peaking by 2030, and aims to attain the technological ability to reduce carbon emissions by 30% by 2035 and achieve carbon neutrality by 2050. It also formulated the "Dual Carbon" three-step strategy and adopted the "Carbon Ten" action plan and six major technical routes to build the three major "N-ZERO" zero carbon systems.
 Energy	Focus on actions to reduce and replace fossil energy consumption and increase non-fossil energy consumption, strengthening the development of renewable energy, and promoting the renovation of coal power equipment for energy-saving and carbon reduction.	◆ CITIC Pacific Energy Investment: Continued to promote energy transformation, clean development and resource utilisation. In 2025, the carbon dioxide emissions of the subordinate thermal power plant will steadily decline, with a unit emissions intensity not exceeding 0.835 tons/MWh. In 2024, the subordinate Li Dian Group launched the clean and low-carbon renovation of coal power units, built 2 x 1 million kW units, and optimised coal consumption for power generation through machine unit maintenance and overhaul, thereby achieving an annual carbon dioxide emissions reduction of around 70,000 tons.
 Resource and manufacturing	Promote the upgrade of key energy consuming equipment and production and production processes.	◆ CITIC Metal Group's subsidiary, Jinzhou Metal, used waste heat resources generated in the production process to drive a winter heating system. The heated area covered 105,800 square metres. As a result of this effort, 62,834 tons of heating steam and 6,537 tons of standard coal were saved, reducing carbon emissions by 19,826 tons. ◆ CITIC Heavy Industries optimised power consumption management, effectively regulating the load change in thermal processing, and used the kinetic energy information platform to collect and analyse user power consumption information, so as to improve energy efficiency.
 Engineering construction	Strengthen green design and construction management.	◆ CITIC Construction strengthened the recovery and reuse of on-site resources, such as steel tails and concrete oddments, and set up a water recycling and treatment system at the project site using the construction sewage, rainwater, and foundation pit precipitation for equipment washing, dust suppression watering, and green area watering after treating and testing the waste water. ◆ CITIC Heye Investment carried out a comprehensive energy audit, analysed the energy consumption of buildings under its management to identify factors affecting energy consumption, and tested and optimised the energy efficiency of energy consuming equipment to achieve precision energy management. In 2024, the subsidiary saved 363,000 kWh of electricity and 4,000 GJ of heat, reducing carbon emissions by 660 tons.

Promoting Carbon Emissions Measurement and Disclosure

Under the "Dual Carbon" strategy, portfolio carbon emissions measurement has become a key tool for measuring the carbon emissions performance of portfolios. The Company actively responds to regulatory requirements, optimises the green finance standard system, helps investors identify and reduce climate risks, and actively measures and records the carbon footprint of the credit portfolio, investment portfolio, and product portfolio.

◆ CITIC Bank

The subsidiary and its cooperative unit jointly created a one-stop value-added service model of "green technology + green consultation + green finance", and provide customers with diversified services such as green loan emissions assessment and report production, greenhouse gas emissions-related accounting, "Dual Carbon" planning, green technology application and promotion, carbon asset assessment and development, and domestic and overseas carbon asset trading matchmaking.

◆ CITIC Securities

The subsidiary China Asset Management completed the preliminary design of a digital module for portfolio carbon emissions with reference to internationally prevailing carbon emissions accounting methodology for investment portfolios. This module not only includes a comparison between main benchmark indexes, but also industry attribution and lists of major constituent stocks, so as to enable efficient and timely understanding of the carbon emissions of the portfolio and provide support for the setting of the portfolio's carbon emissions targets.

◆ CSC Financial

Based on PCAF, the subsidiary provides equity portfolio carbon emissions intensity measurement for many large insurance asset management institutions and public offering institutions in China. It conducted performance attribution through a self-developed fund tag library and multi-factor model, and explored the source of portfolios' excess returns from an ESG perspective, thereby providing ESG fund research services for domestic public offering and insurance asset management FOF teams.

◆ CITIC Holdings

Its self-developed panoramic dual-carbon management platform has achieved multi-scenario and large-scale applications in many industries, such as steel, aluminium, auto parts, and large equipment manufacturing, and can support the certification and verification of product carbon footprints, such as production line carbon footprints and supply chain carbon footprints (based on full lifecycle accounting).

◆ CITIC Pacific Special Steel

The subsidiary developed the "one headquarters, multiple bases" dual carbon standardised management platform, and successfully launched the CBAM (European Union Carbon Border Adjustment Mechanism) carbon accounting and organisational carbon management system. The CBAM final calculation function in the system can realise on-site data entry and final calculation, fully meeting the company's need for submitting the CBAM final statement to the EU. The carbon accounting system has passed the compliance certification of an international third-party organisation and facilitated the subsidiary in optimising production processes, reducing carbon emissions of products and enhancing export competitiveness.

Preparing the Dual Carbon Profit and Loss Statement



The Company attaches importance to the measurement and information disclosure related to carbon emissions. It has built a panoramic dual carbon management platform, constantly monitors and analyses carbon emissions by digital means, and continues to prepare and optimise the "Dual Carbon" profit and loss statement as a dynamic management tool to achieve carbon neutrality, so as to ensure that the "Dual Carbon" strategy can be traced, monitored, and evaluated. In 2024, based on the data of 2022 and 2023, the Company conducted a preliminary and comprehensive data collection and analysis of various items in the carbon profit and loss statement, converted various forms of carbon volumes into monetary values, and carried out cost-benefit analysis on different energy transformation goals and paths under a unified measurement standard, with the aim of measuring the corporate benefits generated by actual carbon emissions in terms of income and costs.

Actively Participating in the Carbon Trade Market

The carbon trade market is an important mechanism for achieving the goals of carbon peaking and carbon neutrality. Since the opening of the national carbon emissions trading market, the Company has actively participated in carbon trading, aiming to realise the value of ecological products, control and reduce greenhouse gas emissions, and jointly promote green and low-carbon development.

◆ CITIC Securities

As the first securities company to carry out carbon trading in China, the subsidiary was given approval to complete the first transactions on the day when the national greenhouse gas voluntary emissions reduction trading market was launched in 2024, closing the first nationally certified voluntary emissions reduction transaction used for voluntary carbon offset of non-emission control enterprises in China. It also completed the largest single carbon asset repurchase since the establishment of the national carbon market, and helped multiple local pilot carbon markets launch carbon repurchases and close their first deals. It regularly provides quotations and trading services in multiple local pilot carbon markets.

◆ CSC Financial

In 2024, the cumulative carbon quota trading volume of CSC Financial reached 1.5 million tons. The trading volume of various varieties in the local carbon markets totalled 2.4 million tons, with a total trading value of RMB 90 million. In 2024, the first carbon quota repurchase transaction in Shanghai's carbon market and CSC Financial's first carbon quota repurchase transaction in Hubei's carbon market were closed.

CASE

Facilitating the real economy to reduce carbon emissions and increase efficiency by closing the largest carbon asset repurchase transaction in the national carbon market



In April 2024, CITIC Securities and Huaxin Cement Co., Ltd. completed the largest carbon asset repurchase transaction since the establishment of China's carbon market, with a transaction value of RMB 100 million. This cooperation aims to help enterprises obtain carbon reduction funds by revitalising existing carbon assets, promote the transformation and upgrading of traditional industries towards high-end, intelligent and green development, and direct more funds to green efforts and emissions reductions.

Huaxin Cement invested RMB 100 million in the renovation and upgrade of carbon reduction technology and its production system to further tap the potential of emissions reduction technology, and improve energy utilisation efficiency and the utilisation of resources, thereby reducing the carbon emissions intensity of its main products. It is predicted that, by 2030, carbon dioxide emissions per unit of output value of Huaxin Cement will decline by more than 70% compared with 2005, with the proportion of alternative fuel energy in primary energy consumption exceeding 25%.

CITIC Securities helped Huaxin Cement complete the largest carbon asset repurchase transaction since the establishment of China's carbon market



Green and Low-carbon Operations

Innovation and R&D in Clean Technology

The Company actively instructs its subsidiaries to implement the green development strategy, increase investment in clean technology, and strengthen innovation and research in clean technology. The subsidiary CITIC Environment has developed 399 green and low-carbon related clean technology patents, including 48 patents obtained in 2024; CITIC Dicastal has developed 5 green and low-carbon-related clean technology patents, including 3 patents obtained in 2024. In 2024, CITIC Environment invested more than RMB 90 million in research and development in the fields of clean technology, energy and environmental protection, and green and low-carbon industrial chain, accounting for 42% of its total R&D expenditure.

Research and development in clean technology by subsidiaries



Green and clean steel-making technology

Two technological projects, the "green and clean steel-making technology and application based on carbon dioxide utilisation" project jointly developed by Tianjin Steel Pipe Factory and Nanjing Iron & Steel and the "functional and green design and production of refractory materials and their support for green manufacturing of steel" project developed by Nanjing Iron & Steel, won second prize in the National Science and Technology Progress Awards, in recognition of their outstanding contributions to the green and clean transformation of the steel industry.



Advanced membrane technology for water treatment

CITIC Environment carried out the research, development and application of an advanced membrane technology integration system for the green, low-carbon and sustainable utilisation of water resources, and completed the development of a high-performance PVDF ultrafiltration/microfiltration membrane, highly selective composite nanofiltration membrane and related bio-reactors and ultrafiltration processes, and has commissioned and applied these products in the Bazhou Sewage Treatment Plant in Hebei Province.



Ultra-low energy consumption construction technology

The CITIC General Institute of Architectural Design and Research, a subsidiary of CITIC Environment, has taken the initiative in carrying out "Research on key ultra-low energy consumption construction technology systems in areas with hot summers and cold winters against the backdrop of carbon peaking and carbon neutrality". With the goal of creating a comfortable indoor environment, saving energy and reducing carbon emissions, the subsidiary is developing basic energy consumption reduction technology for buildings, while promoting the implementation of ultra-low energy consumption building technologies by means of carbon trading and green finance. In 2024, the project entered the phased acceptance process. In respect of the related technical achievements, 15 utility model patents have been obtained, and more than 13 invention patents have been applied for.



An architect works on designs on the "Xinzhui AI Platform" developed by the CITIC General Institute of Architectural Design and Research, a subsidiary of CITIC Environment



Low carbon technology for mineral exploration

CITIC Pacific Mining continued to optimise the approval process for capital investment projects, including estimates of energy efficiency and greenhouse gas emissions into the project assessment scope for new investment projects. During the year, it carried out a study on the implementation path for project decarbonisation, including a number of medium and long-term greenhouse gas emissions reduction technologies, such as technology for significantly reducing carbon emissions from iron ore mining, and using carbon capture technology to reduce carbon emissions from power plants.

Green and Low-carbon Transformation and Development

The Company actively advocates the green and low-carbon concept, strengthens green and low-carbon operations and management, and urges subsidiaries, especially environmentally sensitive enterprises such as those in high pollution and high energy consumption steel and manufacturing industries, to adopt advanced environmental protection technologies and equipment, as well as measures such as flue gas de-sulphurisation and de-nitrification, the upgrade and renovation of dust removal facilities, and building smart environmental management and control platforms. In this way, we aim to promote high-end, intelligent, and green transformation, constantly reduce energy consumption and carbon emissions, and comprehensively enable green and high-quality industrial development.

CASE

Nanjing Iron & Steel build a green and ecological factory



Nanjing Iron & Steel strives to be a global pioneer in green steel, and it has actively restored the ecological environment of the plant area by building an ecological wetland park. It has also built the Nanjing Iron & Steel Museum, which popularises metallurgical knowledge, introduces the development history of China's iron and steel industry, and provides displays of the iron and steel production process. The museum also features a futuristic intelligent steel manufacturing display hall with the theme of "New power led by AI", integrating green, smart, humanistic, and high-tech concepts. Based on the "industry + tourism" model and displays of industrial culture, the hall aims to promote the transformation of enterprises towards high-end, intelligent and green operations. After being awarded the National Industrial Tourism Demonstration Base designation and the National 3A Tourist Attraction title, the Nangang Industrial Cultural Tourism Zone was recognised among the Top 10 Cases of Culture and Tourism Focusing on Digital Innovation Demonstration in 2024; the zone annually receives more than 50,000 guests and has become a "new model for the development of industry-city integration".



Nanjing Iron & Steel Ecological Wetland Park

CASE

The Tianjin Steel Pipe Factory's Ring Heating Furnace Pure Oxygen Transformation Project represents a new model of green and low-carbon technology

The Tianjin Steel Pipe Factory's 168-unit ring furnaces renovation plan adopts intelligent pure oxygen combustion technology, with the aim of reducing energy consumption and oxidation burning loss and improving combustion efficiency. After the completion of the renovation, daily nitrogen oxide emissions of the ring furnaces decreased from 220 kg to less than 3 kg, with the emission reduction rate reaching 98%. At the same time, natural gas consumption per ton of steel was significantly reduced, improving overall energy efficiency.



Ring furnaces after the renovation

The application of pure oxygen combustion technology has improved the heating rate and temperature uniformity in the furnace, providing a guarantee for the production of high-quality products. In April 2024, the project was selected for inclusion in the first batch of green and low-carbon advanced technology demonstration projects evaluated by the National Development and Reform Commission.



New exhaust system

Green and low-carbon practices of other subsidiaries

Clean energy

CITIC Pacific Energy

During the year, connected installed capacity of 64.9 MW was added to the grid, with the cumulative installed capacity in operation exceeding 9,600 MW. Annual wind and solar power generation reached 1.9 billion kWh, and the new energy business realised operating income of RMB 233 million, up 28.7% year-on-year. During the year, 587,000 tons of standard coal were saved, and 1.45 million tons of carbon dioxide emissions were reduced through energy-saving renovation, carbon reduction renovation, and non-fossil energy development.



CITIC Pacific Energy's Xilingol League 1,000 MW Wind Power Project

Clean energy facilities

◆ CITIC Heavy Industry

CITIC Heavy Industry set up a new energy industry research institute, which is committed to technological innovation and technological progress in the new energy industry. Through the institute, CITIC Heavy Industry aims to expand its presence in the entire industry chain covering wind power, wind heat, and other new energy equipment, new energy application technologies such as wind farms, photovoltaic power stations, and source grid load storage, iterative upgrades of steam turbine and generator technologies, and research and development into new products and new technologies in the power generation field. In 2024, operating income from the new energy sector amounted to RMB 200 million.

Green power trading

◆ CITIC Pacific Energy

CITIC Pacific Energy continues to deepen its green power and green certificate trading business, achieving optimal allocation of resources, and helping customers use energy in a greener way. It achieved more than 400 million kWh of cross-province green power trading volume during the year. Its subsidiary Lidian Group participated in green power listing and negotiation transactions through the Beijing Electric Power Trading Centre. During the year, Lidian Group closed about 72 million kWh of green power transactions and more than 34,000 green certificate transactions.



New energy storage project

◆ CITIC Pacific Special Steel and CITIC Pacific Energy

CITIC Pacific Special Steel and CITIC Pacific Energy are jointly carrying out the Jingjiang Special Steel Green and Low Carbon Energy Medium Supply Project to build an integrated green micro grid driven by multiple energy sources. The total installed capacity is 37.5 MW for wind power, 57.97 MW for photovoltaic power, and 120 MW/240 MWh for energy storage. This project has been selected as a national low-carbon metallurgical technology breakthrough pilot project. After completion, it will increase the annual average green power generation of Jingjiang Special Steel by more than 130 million kWh, and reduce carbon emissions by more than 108,000 tons/year.



Green buildings

◆ CITIC Construction

CITIC Construction encourages the creation of green construction models and demonstration projects, builds green energy-saving projects, obtains green building and LEED certifications, guides project teams to focus on low-carbon and emissions reductions, pays attention to energy conservation and environmental protection, and uses construction methods conducive to resource conservation, environmental protection, emissions reductions, and quality assurance.

Green wheel hub

◆ CITIC Dicastal

The development and management project for manufacturing automotive aluminium parts based on green and low-carbon technology innovation won first prize in the 2024 China Nonferrous Metals Industry Association's nonferrous metal enterprise management modernisation innovation achievement appraisal campaign. The PSC coating technology for aluminium wheels breaks a technology barrier for OEMs in respect of the appearance of wheel coating by realising dry coating, while also reducing the overall production cost of coating by 30%.

Advocating Green Offices

The Company deeply integrates the concept of green environmental protection into its corporate culture, creating a green cultural atmosphere, and encouraging employees to work in a green manner and jointly protect the green home. By focusing on comfort, green operations, green expertise, and energy conservation in office spaces, we integrate green environmental protection into the whole process of design, construction, operations, and maintenance management of the office space, creating green and comfortable office environments, and striving to save electricity, water, office supplies, and other materials and resources.

Energy consumption

CITIC Tower (Beijing) has improved the integrated control of the cold source system, heat exchange station system, and terminal system by upgrading the cold source group control system, accurately matching load demand, and realising the integration of refrigeration, cooling supply, and use of the cooling system. Around 60,000 kWh of electricity will be saved annually. In addition, through adjustments to the operating strategy and fine operation and maintenance of the supply and exhaust fans in the underground garage, around 110,000 kWh of electricity will be saved annually.

Waste disposal

CITIC Tower (Hong Kong) carried out solid waste recovery in 2024, with the recovery volume exceeding 7.295 tons. Coffee grounds and tea leaves are collected by the kitchen waste processor and transformed into soil conditioner for plants.

We engaged a professional recycling agency to dispose of obsolete office furniture in an environmentally friendly manner, avoiding discarding or burning them casually to reduce environmental pollution.

Energy consumption monitoring

CITIC Heavy Industry regularly carried out on-site inspections of energy consuming units for violations of energy use rules. In 2024, more than 300 inspections were carried out to strengthen employees' awareness of energy conservation, with positive results being achieved in energy conservation and consumption reduction.

Promoting environmental protection

In 2024, CITIC Tower (Beijing) held the "World Earth Day" environmental protection theme activity and the "Green CITIC, water-saving peer" water-saving publicity activity, and released the first CITIC Tower environmental protection and cultural innovation gift box, "Chunsheng". Some of the gifts' materials were recycled from CITIC Tower. "Chunsheng" means the seeds of sustainability are sown in spring, and green fruits will be harvested in the future.

Green dining

The Company promotes the "clean dish initiative", including simple meals and standardised diets. By adopting "small dishes", "assorted dishes", and other methods, we encourage employees to order meals as needed and reduce leftovers.

Paperless offices

The Company continues to promote information automation and intelligent layout, and vigorously advocates and implements a paperless office model. Real-time processing of all kinds of documents is realised by means of the office automation system, mobile OA and the file information management system.

In respect of printing, we actively promote double-sided printing and encourage employees to use electronic documents to reduce the use of paper.

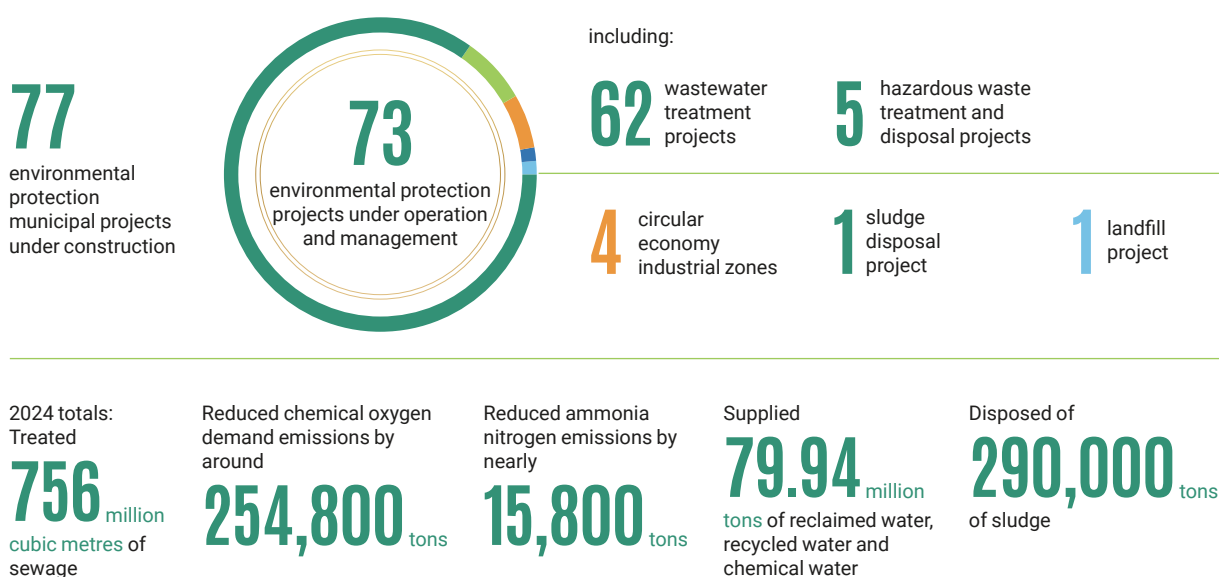


"World Earth Day" environmental protection theme activity

Promoting Environmental Governance

CITIC Environment continues to deepen water treatment and recycling efforts, water environment governance, environmental protection equipment manufacturing, green industrial services and other businesses, and supports national water resources protection, governance of the water environment, and water ecological restoration in a variety of ways, so as to comprehensively promote the economic and social development and ecological and environmental protection of river basins.

CITIC Environment's achievements in green business



CASE

A foreign media group visited the Beijing Huaifang Reclaimed Water Plant

In 2024, 22 journalists from Kazakhstan, Pakistan, Malaysia, Sri Lanka, and other countries formed a foreign media group to visit the Beijing Huaifang Reclaimed Water Plant jointly operated by CITIC Environment and Beijing Drainage Group. Through the visit, the journalists aimed to explore the company's practical achievements in ecological civilisation construction and report on the strength of China's environmental protection initiatives. After the visit, the foreign media group held a symposium with CITIC Environment. At the symposium, foreign reporters discussed CITIC's environmental protection technology, overseas market layout, project construction plans, and other topics. This "Access CITIC" open day event marks the third consecutive year in which CITIC has invited overseas reporters to visit the Huaifang Reclaimed Water Plant. It also embodies Chinese enterprises' practice of ESG concepts and helps promote the green development of the Belt and Road Initiative.



CITIC Environment's "Protecting Beautiful Rivers and Lakes" activity - 2024 Foreign Media Group Visit to CITIC

Xinjiang

CITIC Environment constructs and operates an integrated (PC+O) project in the Xinjiang Tumushuke High Salt Wastewater Treatment Plant. The designed capacity of the plant is 5,000m³/day, purifying sodium sulphate in wastewater and using part of the sodium sulphate to produce acid and alkali for reuse in production, so as to realise the recycling of high concentration salty wastewater.

Hubei

CITIC Environment's "Clear Water into the Yangtze River" protection project, which received investment and is being constructed through the BOT model, is a major environmental protection and livelihood project that will improve the urban water environment of Wuhan and promote sustainable development in the region. In 2024, the project treated about 75.5 million cubic metres of water, reducing the ammonia nitrogen content by 1,700 tons. In total, it reduced nitrogen discharges by 1,400 tons, reduced phosphorus discharges by 185 tons, and supplied 1.3176 million tons of reclaimed water, recycled water, and chemical water.



Guangdong

After completion of the construction of the Shenzhen Futian Water Purification Plant Phase II EPC Project carried out by CITIC Environment, the total capacity of the plant will reach 700,000 m³/day, making it the largest semi-underground water purification plant in Asia. By using high technology and promoting environmental protection, the project will effectively reduce the operating pressure of the Nanshan Water Purification Plant and the main drainage canal, helping improve the water quality of the Shenzhen Bay area, and helping build a more modern and liveable central area in Shenzhen.

Macau SAR

In 2023, CITIC Environment won the bid for the operation and maintenance service project of the Macau Peninsula Sewage Treatment Plant, the first public sewage treatment plant in Macau, with services covering most areas of the Macau peninsula. In 2024, the project treated 54.82 million cubic metres of sewage under the operation of CITIC Envirotech.



In November 2024, CITIC Environment won the bid for the design, procurement, construction, and three-year operation and maintenance of the restoration project for old landfill sites in Mesayed and Umm, Qatar. As the largest landfill project in Asia, the project will use waste gas treatment technology to achieve resource recycling, reduce carbon emissions, and promote ecological restoration.



Restoration project for old landfill sites in Mesayed and Umm, Qatar

CASE

Supporting green cooperation along the Belt and Road



In June 2024, the Kazakhstan KBM Oilfield water treatment plant invested, constructed and operated by CITIC Environment was successfully completed. The project is a benchmark project operated by Chinese enterprises engaged in the field of ecological and environmental protection in Kazakhstan and across the whole of Central Asia, and has been included in the cooperation list that contains 55 Sino-Kazakhstan industrial development and innovation projects compiled by the governments of the two countries. As at the end of 2024, the project had treated 21.91 million cubic metres of water produced from the oilfield and supplied 7.8 million cubic metres of desalinated water for oilfield production, making positive contributions to local people's livelihoods and the protection and development of the ecological environment.



A worker engaging in maintenance

Full view of the KBM project built by CITIC Environment



Pursuing Further Developments in Green Finance

The Company has incorporated green finance into its core strategic pillar, has fully implemented the new development concept, leverages its comprehensive financial business advantages, is focused on the development direction of green finance, and has incorporated the development of green finance into its strategic development plan, with the aim of injecting new impetus into the green transformation of the economy and society.

Building a Green Finance Service System

The Company adheres to the service concept of "Synergies between CITIC and Our Clients", explores and innovates green finance products and service models, and has built a "Five in One" green finance comprehensive services system integrating green finance, green investment, green consulting, green living, and carbon management.



CITIC green finance services system

CITIC's major achievements in green finance in 2024

The balance of green credit was RMB

600.565 billion

The number of CITIC Carbon Account users exceeded

21.5 million

with cumulative carbon emissions reductions exceeding

180,000 tons

◆ CITIC Bank

- The balance of green credit was¹ RMB 600.565 billion, up 30.84% from the end of the previous year
- The number of CITIC Carbon Account users exceeded 21.5 million, with cumulative carbon emissions reductions exceeding 180,000 tons
- The first two-way linked syndicated loan was issued for sustainable development (ESG) of the green building industry in China
- The first 30-year medium-term green note in the market was underwritten

◆ CITIC Securities

- The largest carbon asset repurchase transaction in the national carbon market was closed
- China's first technological innovation and low-carbon transformation Belt and Road corporate bond was launched
- The world's first blue exchangeable bond was launched

1. Figures accord with the People's Bank of China's statistics.

◆ CSC Financial

- The largest private equity financing project in the domestic new energy industry
- The largest asset restructuring project in the energy industry (in terms of value) was completed under the registration system
- China's first water asset equity REITs were completed
- China's first public offering REITs in the onshore wind power and private wind power fields were completed
- China's first renewable corporate bond for carbon neutrality, green technology innovation, and rural revitalisation was launched

Green Credit

CITIC Bank actively supports high-quality assets in line with green development trends, continues to optimise the green credit industry structure, and invests funds into energy conservation, environmental protection, clean production, clean energy, the environment, green infrastructure, and other fields. As at the end of 2024, the balance of green credit of CITIC Bank reached RMB 600.565 billion, an increase of 30.84% over the end of the previous year; within this amount, the proportion of credit granted to the clean energy, environment, energy conservation, and environmental protection industries

had significantly increased from the previous year.

CITIC Bank seized the new opportunities offered by the development of the green industry, fully leveraged the pricing support brought by the carbon emissions reduction tool, and increased loan issuance for carbon emissions reductions to provide financial support for enterprises carrying out carbon emissions reductions work. By the end of 2024, carbon emissions reduction loans amounting to RMB 15.587 billion had been granted.

Green Bonds and Green Financing

The Company continues to promote the innovation of the green finance business model, and has increased support for the low-carbon economy, the circular economy, and the transformation, upgrading and technological renovation of energy conservation and environmental protection enterprises, as well as green ecosystems. We also strictly control investment of funds in high energy consumption, high pollution, and low-level industries, and channel resources into industries and enterprises with low energy consumption, low pollution, and low emissions.

◆ CITIC Bank

CITIC Bank formulated the *Comprehensive Plan of CITIC in Facilitating Green Development* to build a "1+N+N" green finance product pedigree covering green loans, green bonds, and green leasing:

- In 2024, CITIC Bank issued RMB 20 billion of green finance bonds in the national inter-bank bond market, underwrote RMB 14.481 billion of green debt financing instruments, and issued 125 structured deposit products linked to green finance bonds, raising RMB 9.923 billion. As at the end of 2024, the balance of green bond investment was RMB 17 billion, and the balance of green finance leasing business was RMB 34.340 billion.

◆ CITIC Securities

CITIC Securities continued to allocate more resources to the green finance field, explore innovation in green finance trading products, derivatives and services, and provide enterprises with green financing solutions such as green equity, green bonds, and asset-backed securities:

- Assisted several new energy and environmental protection enterprises in completing equity financing, mergers, and acquisitions;
- Underwrote overseas ESG bonds amounting to USD 1.399 billion;
- Helped East Airport Group successfully issue the country's first "carbon neutral + rural revitalisation + high growth industries" bond.

◆ CSC Financial

By focusing on green and low-carbon initiatives and people's livelihoods, CSC Financial has built a diversified and sustainable financing business system. CSC Financial promotes the development of an ecological civilisation and an environment-friendly society by providing financial services such as initial public offerings, refinancing, bond issuance, financial advisory, and equity pledges:

- During the reporting period, 107 green bonds were underwritten, with an underwriting amount of RMB 57.3 billion and a total financing value of RMB 193 billion. These efforts included 31 carbon neutral bonds, with a total underwriting amount of RMB 23.1 billion, raising funds of RMB 39.1 billion in total;
- Meanwhile, CSC Financial participated in and completed 73 overseas ESG bond projects, including 32 green bonds, 3 social bonds, and 38 sustainable development bonds, with a cumulative financing amount over USD 22.4 billion.

◆ CITIC Trust

CITIC Trust gives full play to the advantages of the trust business and actively innovates business models to serve the green transformation and economic and social development:

- CITIC Trust is deeply committed to the traditional credit business. In 2024, it increased support for green projects, deepened cooperation with banks, brokers, insurance, and other financial institutions, and provided various qualified institutional investors with non-standard debt assets to support "green industries" and "green enterprises";
- It also built an equity investment platform and jointly carried out new energy projects with other enterprises.

◆ CITIC Investment Holdings

CITIC Investment Holdings initiated and established the Anhui Xinxin Energy Creation Fund, with a scale of RMB 1 billion. The fund focuses on investment in new energy vehicles, energy conservation and carbon reduction, green and environmental protection, and other fields. CITIC Investment Holdings also participated in the establishment of the China Venture Capital dual carbon fund, amounting to RMB 5.278 billion, and the green innovation fund, amounting to RMB 3 billion, which focus on new energy, new materials, dual carbon technology applications, and other sub-segments. In this way, it is supporting upstream and downstream enterprises in green development industries, with a view to improving production efficiency and reducing energy consumption.

CASE

CSC Financial assisted in issuing China's first onshore wind power and private wind power REITs

In July 2024, the CSC Financial-Mingyang New Energy Closed Infrastructure Securities Investment Fund was officially launched on the Shanghai Stock Exchange. CSC Financial acted as financial adviser and plan manager, with China Fund acting as fund manager.

This issuance marked the first onshore wind power and private wind power public REITs project in China. It introduced a new type of asset and issuer for the public REITs market in China, effectively revitalising new energy assets and helping Mingyang better leverage its advantages in clean energy resources.



The CSC Financial-Mingyang New Energy Closed Infrastructure Securities Investment Fund was officially launched

Promoting ESG's Integration into Financial Business Operations

CITIC Limited incorporates environmental and social standards into the investment and financing business process, promotes the integration of green finance with business and management, builds a comprehensive financial service system, actively formulates and updates credit, investment and financing policies related to agriculture, biodiversity, climate change, energy, mining and other related fields, and reduces the negative impact of investment and financing activities on the environment.

◆ CITIC Bank

CITIC Bank actively supports high-quality assets in line with green development trends, and continues to optimise the green credit industry structure. In 2024, the credit balance for green construction, the construction and operation of solar energy facilities, and green and organic agriculture all increased by over RMB 10 billion.

◆ CITIC Securities

CITIC Securities formulated the *CITIC Securities Environmental and Social Risk Management Framework* to gradually incorporate ESG factors into the company's comprehensive risk management system, fully consider ESG factors in the process of investment, financing and business development, and incorporate ESG factors into due diligence, risk assessment and subsequent management.

It continuously optimises the construction of the ESG research system, and conducts various special studies in areas including ESG rating systems, investment strategies, enterprise services and regular tracking. It has formed a systematic research framework covering green financial policy interpretation, ESG investment strategy development, green industry development trends and ESG governance optimisation paths.

◆ CSC Financial

CSC Financial set up an ESG investment strategy research group, continued to focus on responsible investment and ESG research consulting in ESG investment strategy, portfolio carbon emissions measurements, theme funds and other fields, strengthened the theoretical basis for ESG investment and financing business, and provided customers with services such as portfolio carbon emissions measurement models, ESG practice research, and ESG fund research.

◆ CITIC-Prudential Life

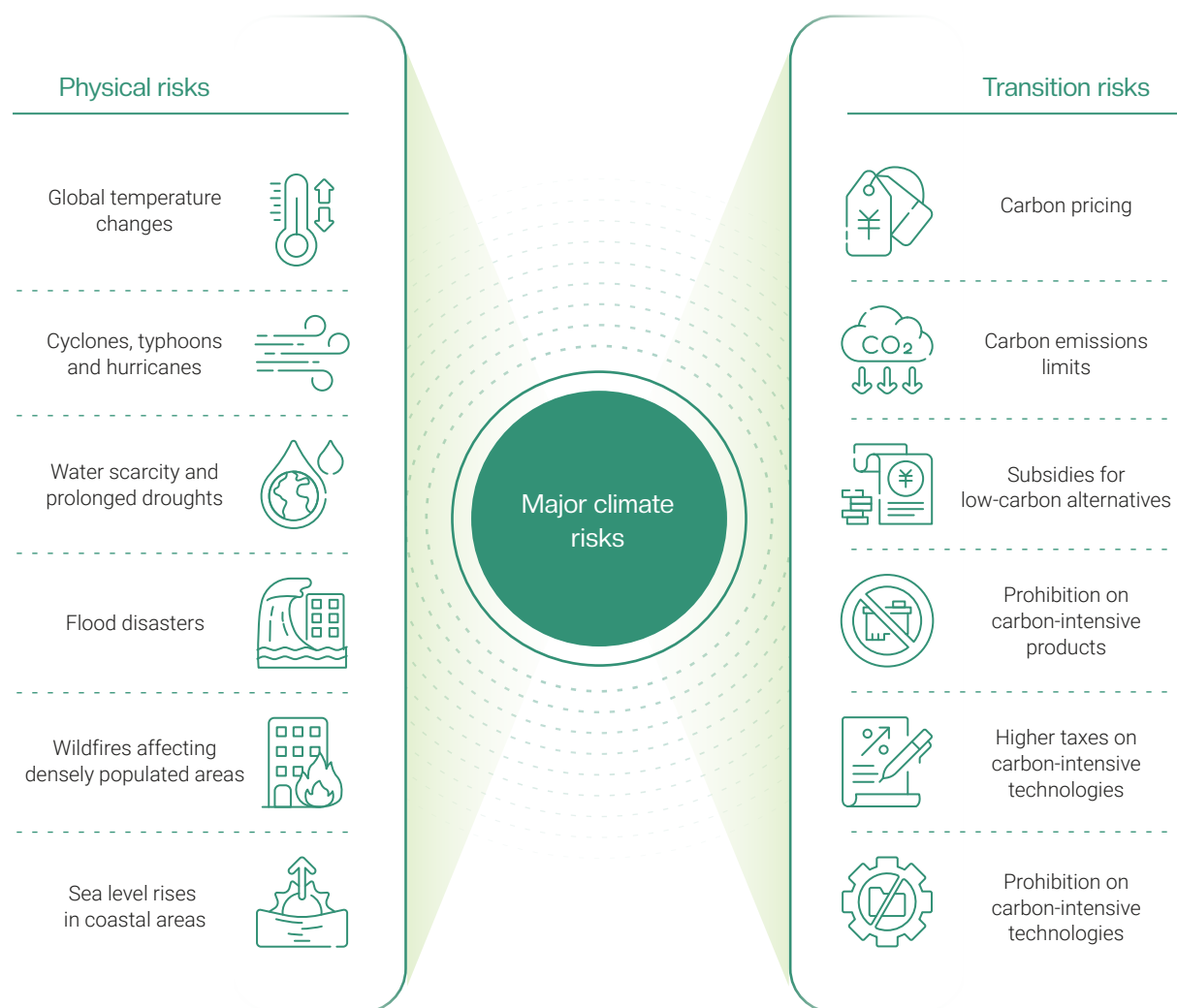
CITIC-Prudential Life promotes the construction of green finance and ESG investment capabilities, and has built five major pillars of green finance organisation management, green finance policy, green finance business processes, green finance technology support, and green finance business culture. As at the end of 2024, it had invested a total of RMB 21.47 billion in green, sustainable, and socially responsible assets.

Addressing Climate Change

According to the *Task Force on Climate-related Financial Disclosures (TCFD) Recommendations* issued by TCFD and relevant documents from the International Sustainability Standards Board (ISSB), the Company actively identified main climate risks, as well as opportunities and challenges that climate change may bring to the Company, and incorporated climate risk management into the comprehensive risk management framework to better respond to global climate change.

Identification of Major Climate Risks

The Company attaches great importance to climate risks and has built a systematic working mechanism to cope with climate change. The Board of Directors and management actively promote climate change risk assessment, identify physical risks and transition risks, and formulate targeted strategies to actively respond to climate change.



Addressing Climate Change Risks

The Company continues to improve the top-level design of climate-related risk management, enhances management capabilities, integrates climate-related work into long-term development strategies, and constantly optimises climate-related governance structures.

Climate risk management

◆ CITIC Construction

CITIC Construction makes full use of scenario analysis to carry out climate change risk management. It fully considers historical climate change in project locations in project feasibility studies and in the planning and design stages to avoid failures in implementing new projects due to climate change. It pays attention to the impact of climate change on projects under construction, formulates emergency plans for extreme weather, prepares emergency supplies, and reasonably arranges and organises construction.

◆ CITIC Dicastal

In order to prevent climate change from impacting production and operations, it strictly implements the requirements of the Technical Guide for Formulating Emergency Emission Reduction Measures for Key Industries in Heavily Polluted Weather, continues to maintain the B-level environmental protection performance qualification in the casting industry, develops implementation plans for emergency responses to heavily polluted weather, and improves its emergency management system for heavily polluted weather and the environment.

Risk mitigation measures

◆ Nanjing Iron & Steel

Nanjing Iron & Steel successfully completed the full-process ultra-low emissions transformation and published the results, becoming the first "long-process iron and steel" enterprise in Jiangsu Province to receive an A Grade for its environmental protection performance for two consecutive years.

◆ CITIC Dicastal

CITIC Dicastal pays attention to the dynamics of climate control in a timely manner, releases early warning information in advance, and constantly optimises its product structure by making flexible adjustments to production plans. In this way, it is able to independently reduce emissions and ensure normal operations. As a result of its efforts, it has received a B Grade for its environmental protection performance.

Stress tests on climate risks

◆ CITIC Securities

CITIC Securities follows regulatory requirements and industry standards on climate risk stress-testing at home and abroad, has experience in respect of climate factors and scenario analysis, studies and explores the risk transmission path of potential impacts of climate change on securities companies, and strives to incorporate climate risk factors into the coverage of future comprehensive stress-testing.

CITIC's Biodiversity Conservation Plan in Action

Biodiversity is a necessary condition for human survival, the basis for sustainable economic and social development, and the guarantee of ecological security and food security. The Company incorporates biodiversity protection into its environmental governance system, strictly abides by the *United Nations Convention on Biological Diversity* and relevant laws and regulations on environmental protection in the process of business operations, actively assumes its corporate social responsibilities, strictly avoids prohibited areas in the process of business development, and effectively protects wild animals and plants and their habitats and migration routes. It also actively participates in biodiversity conservation and aims to strengthen publicity and education related to biodiversity.

CASE

Launching the "China Securities Index-CITIC Bank Biodiversity Preferred Credit Bond Index"

In 2024, China CITIC Bank and China Securities Index Co., Ltd. released the "China Securities Index-CITIC Bank Biodiversity Preferred Credit Bond Index". The index covers more than 30 industries, such as power grids, water affairs, and infrastructure construction, and biodiversity sub-fields such as agriculture, forestry, animal husbandry, fishery, genetics, and species protection. As the first bond index in China with the theme of biodiversity, this index represents another innovative practice that will promote the high-quality development of green finance in China. This initiative also aligns with CITIC Bank's signing of the *Joint Declaration of Banking Financial Institutions to Support Biodiversity Conservation* in 2021. The index is expected to guide more funds to the field of biodiversity conservation and promote in-depth development of the green bond market.

CASE

Building an ecological steel factory to promote the harmonious coexistence of people and nature

Nanjing Iron & Steel was built along the river to protect the ecosystem of the Yangtze River, to actively protect water resources, to repair the ecological environment around the plant, and to build an ecological wetland park, thereby earnestly fulfilling the responsibility and obligation of protecting biodiversity. In terms of protecting wetland ecological species diversity, a small reserve for wild birds has been established to provide a habitat for wild birds, improving the water quality of Jiulong Lake and its surrounding environment. Nangang Iron & Steel also organised personnel to strengthen bird and animal monitoring and protection.

In terms of vegetation restoration and plant greening, Nangang Iron & Steel selects local tree species for planting in the Tree Planting Day activities, establishes and improves plant conservation plans and standard documents, and regularly monitors and removes alien invasive species in a timely manner to promote ecological restoration and development, and to protect the integrity and stability of plant seeds. In addition, seizing the opportunity to reconstruct the old factory buildings in the plant area, the subsidiary demolished the original 120,000 square metres of open-air raw material storage yard and rebuilt 26,000 square metres of landscaped green space to promote greening and effectively improve the green landscape of the plant area.

Nangang Iron & Steel actively encourages the protection of plant seed resources, repairs the riverside ecosystem, maintains the riverside ecological wetland park, and creates suitable living conditions for the reproduction and production of plant populations through the manual planting of a variety of plants (metasequoia, luan tree, camphor tree, willow, red leaf heather, etc.). In addition, cutting breeding and other technical means are also used to increase the plant populations by using the seeds, roots, stems, and other materials produced by the plants in the park to help protect plant diversity and restore the ecological environment.



As an important part of the ecological environment of the plant area, CITIC Pacific Special Steel is building an ecological animal protection zone. There is a viewing area, a feeding area, and an interaction area in the park to promote the harmonious coexistence of humans, nature, and animals. The construction of the animal reserve highlights the positive action of CITIC Pacific Special Steel in ecological protection, and provides ecological leisure places for employees and visitors.



Nangang Iron & Steel Riverside Ecological Wetland Park

03

FULFILLING CORPORATE SOCIAL RESPONSIBILITIES AND CONTRIBUTING TO THE PEOPLE'S WELLBEING

CITIC Limited has always maintained its commitment to the people and adopts a global perspective. With the mission of "implementing national strategies and empowering national rejuvenation", CITIC Limited actively fulfils its corporate social responsibilities. We have made unremitting efforts in empowering rural revitalisation, resolving risks in the delivery of housing projects, providing inclusive financial services, strengthening staff management, protecting customers' rights and interests, generating higher returns for shareholders, improving service quality, and jointly building harmonious communities. We take practical actions to serve the public, to give back to society, to ensure that the public benefits from our development, and to contribute to sustainable and healthy economic and social development.



HIGHLIGHTS

- ◇ Continuing to empower rural revitalisation, cultivate distinctive industries, and help villagers increase their income. Focusing on ecological civilisation to improve the living environment for villagers. Delivering medical and educational assistance for villagers and younger generations. We have made direct investments and helped raise funds (including free and paid), adding up to a total of nearly RMB 800 million, for paired districts and counties, and purchased RMB 158 million's worth of goods from these counties.
- ◇ Actively providing employment. The Company has nearly 200,000 employees domestically and abroad, helping drive the development of upstream and downstream industries.
- ◇ Improving returns for shareholders. The Company disclosed a Shareholder Return Plan for the first time, which included clearly defined dividends as a ratio of net profits at no less than 27% in 2024, no less than 28% in 2025, and up to 30% in 2026. Over the year, cash dividends increased in terms of both amount and ratio.
- ◇ Strengthening customer privacy protection, ensuring accessible channels for customer engagement, actively protecting customer rights to improve customer satisfaction.
- ◇ Creating a new coordinated industry-finance model to resolve risks and ensure the delivery of housing projects, people's livelihoods, and social stability. Helping complete more than 70 real estate projects previously in financial difficulties, with a total of more than 66000 housing units delivered, with many landmarks completed such as the Dongjiadu project in Shanghai and CITIC International Tower in Shanghai.
- ◇ Providing inclusive financial services and building an inclusive, five pillar, financial services system that includes inclusive finance for micro enterprises, inclusive finance for rural revitalisation, inclusive consumer finance, inclusive wealth management, and convenient inclusive services for the people.
- ◇ Jointly building harmonious communities, supporting the development of the elderly care sector, caring for minors, helping disadvantaged groups, encouraging employees to volunteer, and enriching the cultural lives of the people.



Empowering Rural Revitalisation

CITIC Limited requires relevant subsidiaries to actively implement policy requirements on consolidating and expanding achievements in poverty alleviation and effectively promoting rural revitalisation and has formulated the work plan for targeted assistance for 2024. Throughout the year, the Company directly invested RMB 71.79 million of free funds and RMB 570 million of paid funds in targeted assistance to Qianjiang District of Chongqing, Yuanyang County of Yunnan Province and Pingbian County of Tibet Autonomous Region while helping raise RMB 147 million (including free and paid funds), providing training for 4349 grassroots cadres, technicians, and rural revitalisation champions, and purchasing RMB 158 million's worth of goods from these regions. Twelve Insurance + Futures projects were carried out to solidly consolidate poverty alleviation achievements and drive tangible results in rural revitalisation.

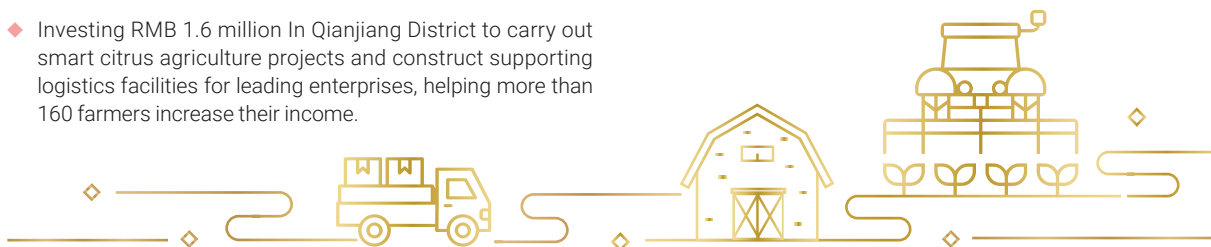
The Company's Contribution to Rural Revitalisation In 2024

Cultivating distinctive industries Driving income increase

- ◆ Helping attract investors and implement projects, and encouraging employees and customers to purchase and help sell agricultural products worth RMB 158 million.
- ◆ Investing RMB 2 million in Yuanyang County to build a workshop for producing wine from red rice grown in terraced fields and signing an agreement on minimum purchase prices with farmers, benefiting 850 people from 210 households.
- ◆ Organising subsidiaries engaged in the new consumption sector to carry out field research in paired districts, and jointly developing alpine cold water rice series products with Nong Zhang Gui based in Qianjiang District, Chongqing, helping farmers increase their income by more than RMB 1 million; providing guidance for the first secretary of Muliang Village, Qianjiang District to set up an e-commerce company which launched popular honey and chicken products and generated more than RMB 1.7 million in sales.
- ◆ CITIC Heavy Industries allocated funds to help villages reclaim 350 mu of sloping land to create a wild grape industry. This innovative planting model helped accelerate local industrial development.
- ◆ Investing more than RMB 2.5 million in Pingbian County to build cold-chain storage facilities and workshops for the primary processing of agricultural products, helping 8 villages increase income with collectively owned ventures.
- ◆ Investing RMB 1.6 million In Qianjiang District to carry out smart citrus agriculture projects and construct supporting logistics facilities for leading enterprises, helping more than 160 farmers increase their income.



Red rice plants in terraced fields



Promoting rural construction with a focus on ecological civilisation

- ◆ Investing RMB 8.1 million in Xiagena Village, Yuanyang County to implement a rural revitalisation demonstration project, which included transforming civilian houses, building cultural activity squares, and installing sewage treatment facilities, benefiting 326 people from 75 households.
- ◆ Expert designers from subsidiaries visited and surveyed Yuanyang County, helped relevant villages carry out 8 planned projects, and provided intellectual support for the construction of beautiful villages. The Company didn't charge for the design services, worth RMB 4.81 million.
- ◆ Investing RMB 3.7 million in Pingbian County to help Qingping Village Committee and Ximatang Village implement beautiful village projects which included drinking water projects, roads, and service centres for local residents.
- ◆ Investing RMB 400,000 in Muliang Village, Qianjiang District to help 30 villagers build new toilets and 112 villagers upgrade toilets. Our efforts in this regard helped eliminate pit toilets.
- ◆ Allocating special funds of RMB 2 million to help paired counties consolidate the Three Guarantees programme and ensure drinking water safety, repair houses for 154 households, and help more than 280 households in four villages with access to water for people and livestock.



Educational and medical assistance with a focus on younger generations

- ◆ Organising medical teams to deliver training on appropriate techniques of traditional Chinese medicine for 40 rural doctors in 7 townships of Pingbian County; donating Chinese medicine rehabilitation and physiotherapy rooms and medical training materials to 12 village clinics in paired districts and counties, carrying out health and adolescent scoliosis prevention education campaigns targeting more than 1500 junior and senior high school students, and development testing for 355 rural primary school students.
- ◆ Investing RMB 3 million to set up the CITIC Scholarship programme, which benefited nearly 1000 teachers and students; investing RMB 21 million in the construction of school gymnasiums, teaching buildings, and dormitories in Yuanyang County, Pingbian County, and Qianjiang District; spending RMB 1.2 million organising summer camps in Beijing for nearly 120 outstanding teachers and students from ethnic minorities.
- ◆ Continuing to provide educational assistance under the Dream Plan programme, carrying out a series of activities in Yuanyang County and Pingbian County, including training for science teachers, science dramas, science courses, and science-themed summer camps, benefiting more than 3000 teachers and students.
- ◆ In 2009, CITIC Bank set up the Love, Trust and Remittance platform for credit card holders, the first of its kind in China, which donated 221 Dream Centre multimedia classrooms and supporting courses to schools in 28 provinces, municipalities, and autonomous regions.



- ◆ CITIC Press launched the Dream Class programme in 13 primary and secondary schools, with more than 2500 teachers and students participating; CITIC Securities donated RMB 500,000 to the First Middle School of Yuanyang County to upgrade the school's sports facilities and help students improve their sports skills.
- ◆ CSC Financial donated a new teaching building to Molao Primary School in Biancheng Town in Huayuan County, Xiangxi Tujia and Miao Autonomous Prefecture, Hunan Province, to provide a high-quality and clean learning environment for 106 students in the border area and empower local education.



Students participating in the Dream Class programme



Leveraging resources across CITIC Group to strengthen innovative assistance models

- ◆ Providing guidance for subsidiaries such as CITIC Bank, CITIC Securities, CSC Financial and CITIC Press in formulating their 2024 assistance work plans. Seven subsidiaries signed an Agreement on Assistance for 2024.
- ◆ Involving CITIC Financial Holdings and five financial subsidiaries in a special seminar hosted by CITIC on how to drive breakthroughs in Qianqiang's local SOE reforms with special funds and to provide suggestions for regional economic development.
- ◆ The asset management office of CITIC Financial Holdings under the Wealth Management Committee organised financial services subsidiaries with asset management licenses to launch charity-themed CITIC Creative Products in an endeavour to explore a market-oriented Charity + Finance donation model. In 2024, more than RMB 2.4 million was raised in donations to empower education in the paired districts and counties.
- ◆ Selecting 17 young employees as volunteer teachers to work in the front line of rural education and help in the growth of nearly 2000 students.
- ◆ Organising 39 grassroots cadres from paired districts and counties on a visit to Zhuji, Zhejiang, to learn the Fengqiao experience in the new era.



Coordinating Efforts to Resolve Risks and Ensure the Delivery of Housing Projects

The Company and its relevant subsidiaries have been deeply involved in "ensuring the delivery of housing projects, people's livelihoods, and social stability". By leveraging the synergies between the finance and real estate sectors and the professional capabilities of subsidiaries in trust, consulting, and real estate, the Company set up a joint force for risk disposal and created a new industry-finance collaboration model, effectively resolving risks from real estate projects, protecting the property rights and interests of the people, and demonstrating our commitment to corporate responsibility.

CASE

Creating A New Coordinated Industry-Finance Model to Resolve Risks and Ensure the Delivery of Housing Projects and People's Livelihoods



The Dongjiadu project is located in the Bund of Huangpu District, Shanghai. Since 2021, the project had been suspended due to financial difficulties. With the support of the local government, the Company's financial and industrial subsidiaries leveraged the CITIC network to develop customised solutions for the project which has been successfully reorganised and revitalised. During the process to ease financial difficulties for the Dongjiadu project, we carefully devised a Stock + Debt plan. While actively allocating rescue funds, the Company involved professional third parties for management restructuring purposes and restarted the project. At the same time, CITIC's subsidiaries sent professional teams to substantively manage the project to ensure construction was carried out as planned. By making a success of the Dongjiadu project, the Company also helped resolve issues related to unpaid relocation compensation for 4,400 relocated residents and 280 relocated enterprises. By the end of 2024, the Dongjiadu project (Phase II of No.1 Yard, the Bund) had sold out, with a total turnover of RMB 21.5 billion. The Company has implemented more than 70 real estate rescue projects and delivered more than 66,000 housing units under the innovative and coordinated industry-finance model, making positive contributions to ensuring the delivery of housing projects, people's livelihoods, and social stability.



Design Sketch of Phase II of the Dongjiadu Project



Providing Inclusive Financial Services

The Company adheres to a standardised, online, digital, and scenario-based approach to inclusive finance and has taken the lead in building an inclusive five pillar financial service system that includes inclusive finance for micro enterprises, inclusive finance for rural revitalisation, inclusive consumer finance, inclusive wealth management, and convenient inclusive services for the people. By leveraging our strengths in comprehensive finance to expand the coverage of inclusive financial services, the Company has served more than 1 million farming households under the Insurance + Futures, photovoltaic leasing, and other models.

Serving Small and Micro Enterprises

CITIC Bank continues to improve the CITIC Easy Loan product series and has created new products such as E-loans for businesses and e-chain products for technological innovation, with upgraded digital services and marketing tools such as Smart Online Banking, Smart Marketing, and Inclusive AI Business Manager to improve the customer service experience for small and micro enterprises. By the end of 2024, the balance of CITIC Bank's inclusive loans to small and micro enterprises stood at RMB 599.825 billion, an increase of RMB 54.749 billion over the previous year, with the growth rate being higher than the average loan growth rate.



The balance of CITIC Bank's inclusive loans to small and micro enterprises stood at RMB

599.825 billion

Serving Agriculture and Rural Areas

CITIC Futures, a subsidiary of CITIC Securities, continued to add variety to the Insurance + Futures programme, and played an important role in ensuring stable income for farmers and boosting rural industries. By the end of 2024, 107 Insurance + Futures projects had been carried out, with an insured value of more than RMB 2 billion. CITIC Securities underwrote a total of RMB 9.733 billion in Rural-Revitalization-themed bonds, Agriculture-Rural-Areas-and-Farmers-themed bonds, and Old-Revolutionary-Base-themed bonds.

CSC Financial acted as leading underwriter for 70 special financial bonds for small and micro enterprise loans, special financial bonds for agriculture, rural areas and farmers, and special asset-backed plans for small and micro enterprise financing, with an underwriting scale of RMB 25.5 billion and a total financing scale of RMB 164.9 billion. Sixteen bond financing projects were completed in counties recently lifted out of poverty, with a financing scale of RMB 16.1 billion and an underwriting scale of RMB 9.2 billion. A total of 102 Insurance + Futures projects have been carried out, with a underwriting volume of approximately 169,300 tons, nominal principal amounting to approximately RMB 1.72 billion, and a total of approximately RMB 33.64 million paid in compensation.



Strengthening Human Resources Management

CITIC Limited has always adopted a people-centric approach, striving to create an equal, diverse and harmonious workplace, and is committed to providing employees with a competitive compensation and benefits system, fair opportunities for promotion, and a sound training system, helping promote employees' career development, building a motivated talent pool, and working together with employees to create a better future.

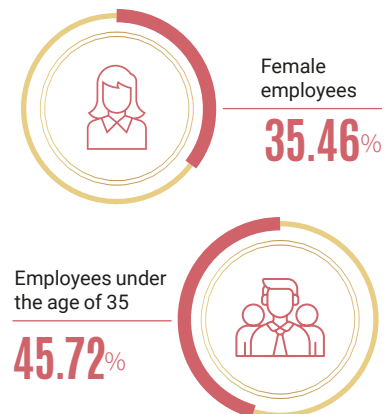
Members of the CITIC network actively provide employment and have a workforce of nearly 200,000 employees domestically and abroad. We help drive the development of upstream and downstream industries. The Company adheres to the principles of equality and fairness, and employs people based on job descriptions. Employees are provided with equal opportunities in terms of appointment, promotion, salary and benefits, career development and training.

Protecting Employees' Rights and Interests

As a global employer with a diverse workforce, the Company strictly abides by the laws and regulations of the jurisdictions in which it operates and actively responds to various international conventions on human rights protection such as the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, and the Equal Remuneration Convention, being committed to creating a good working environment. The Company strictly abides by relevant laws and regulations, protects the rights and interests of employees according to law, and actively builds harmonious and stable employee relations. In 2024, the labour contract signing rate reached 100%.

Equal Employment

The Company advocates fairness, equality and respect in employment, is committed to providing fair opportunities in recruitment and career development, and adheres to a business-first, fair and merit-based approach, to eliminate discrimination in race, gender, religion, nationality, ethnicity, and disability. Labour contracts are signed with employees on the principle of equality and voluntariness, and standards have been developed for the conclusion, performance, revision, cancellation, and termination of labour contracts. Child labour and forced labour is prohibited across the Company. By the end of 2024, CITIC Limited had 190,763 full-time employees, of whom 35.46% were female, and 45.72% were under 35 years old.



Protecting the Rights and Interests of Female Employees

The Company actively implements laws and regulations on the protection of women's rights and interests, and takes solid actions to protect the rights and interests of female employees. The Company strictly implements provisions on maternity leave, nursing leave and regular health check-ups for female employees, and actively encourages female employees to participate in democratic corporate management. The Company has formulated and implemented anti-discrimination and anti-harassment policies, and monitoring procedures and mechanisms have been put in place for female employees to report discrimination and harassment.

Collective Agreement

The Company completed the procedures for the signing of special collective agreements for the protection of the rights and interests of female employees, and guided and supervised grassroots trade unions to sign and improve the special collective contracts for the protection of the rights and interests of female employees, attach importance to the fundamental national policy on gender equality, and promote gender equality in workplaces, protecting the rights and interests of female employees.

Compensation and Benefits

CITIC Limited and its subsidiaries follow a salary policy developed local governments and determine compensation based on business results using a market-aligned approach, while considering competitiveness and fairness. The Company follows a work-based approach to distribution, strengthens the link between salary and performance, provides a competitive salary for talented employees, and innovates incentives and constraint mechanisms on an ongoing basis to effectively motivate employees and build cohesive teams, and promote the sustainable and healthy development of the Company.

Non-Compensation Benefits

To strengthen the management of subsidies and benefits, the Company has formulated the Administrative Measures for Subsidies and Benefits at Headquarters and the Guiding Opinions on the Management of Subsidies, Allowances and Benefits. Employees receive special allowances for technology, skills, and high temperature days, and are entitled to benefits and other non-monetary collective benefits such social insurance, pension and housing providence funds which are stipulated by the state, in accordance with relevant national regulations. At the same time, the Company provides facilities for employees, including restaurants, mother and baby rooms, fitness rooms, etc., and requires subsidiaries to establish a sound benefits and security system for employees based on their own actual circumstances. The Company's non-salary benefits cover all employees.

Variable Performance-based Pay

In line with its development strategy, the Company has done a good job in improving performance pay-related work, formulating the Headquarters Compensation Management Measures and the Management Measures for Annual Performance Assessment at Subsidiaries. In terms of compensation management, the Company adopts a performance-based approach and has established a distribution mechanism based on individual performance, which links compensation with performance and assessment results. The Company adheres to a work-based approach to compensation management which is system-based, standardised, and transparent. The Company's variable performance-based incentive pay structure is applicable to all employees.

Internal distribution

In accordance with market-oriented principles and to motivate employees, the Company attaches equal importance to incentives and checks, pays due regard to efficiency and fairness, and takes further actions to improve the compensation system and internal distribution mechanism to tilt in favour of outstanding employees and address egalitarianism tendencies, and ensure effective motivation over the long term.



Assisting business development

The Company adopts the principle of "salary increase for efficiency increase" to enhance the efficiency orientation, optimise the mechanism for the determination of the gross salary base, and empower strategic development such as transformation, risk disposal, technological innovation, internationalisation, and the attraction of high-end talent.

Employee Performance Evaluation Process

Notifications

Distributing the appraisee's work and integrity report to the appraisers through email, circulation of hard copies, and other means. The appraisee should report on the completion of his/her KPIs.

Democratic evaluations

All the appraisers comprehensively evaluate the appraisee.

One-on-one conversations

The appraisers try to obtain a comprehensive understanding of the appraisee's current situation and performance through one-on-one conversations.

Feedback

Listening to the appraisee's opinions and suggestions through access to relevant materials, interviews, and other means.

Employee Stock Purchase Plan

The Company encourages employees to purchase and hold the Company's shares in compliance with laws and regulations. In 2024, the Company adopted a voluntary share purchase plan for mid-level and senior managers, who spent more than HKD 100 million purchasing the Company's shares in strict compliance with laws and regulations.

Training and Promotion

CITIC believes that employees are the core driving force behind promoting corporate sustainability. Therefore, the Company is committed to providing employees with a comprehensive and multi-level training and career development system, improving their professional skills and qualifications, and creating a positive and dynamic learning atmosphere internally. In 2024, CITIC Management Institute received the Talent Development Award from the Belt and Road Talent Alliance of the International Cooperation Centre of the National Development and Reform Commission.

Training System

The Company has formulated the 2024 Education and Training Plan and the 2024 Collaborative Education and Training Plan, which define the focus of learning and training for employees to optimise the learning and training management system. A variety of training courses have been carefully created for employees, covering professional skills, leadership, professionalism, sustainability philosophy and other areas. The e-learning platform has been continuously enriched. Over 1,500 online courses were launched throughout the year.

CITIC Limited's Diverse Training System



Professional skills development

Advanced courses are customised for different positions and businesses. Through lectures by external experts, internal policy interpretations, and the e-learning platform, employees can keep up with industry developments and constantly improve their efficiency and business skills. In 2024, the Company delivered 23 sessions of CITIC Open Class on economy, finance, law, compliance, information technology, which were live-streamed to an audience of more than 50,000.



Leadership training

The Company's enterprise WeChat contains a WeChat learning module, which includes training lectures, CITIC Academy, CITIC Open Courses, and other columns, covering politics, economics, technology, leadership, and other content. All employees can participate in learning independently. At the same time, it provides leadership development training for employees who have the potential to become managers and those who shoulder responsibilities in leadership roles. Through case analysis, simulated decision-making, teamwork and other forms, participants cultivate their strategic thinking, team management, communication and coordination, and innovation capabilities. A multi-level system including Class for Leaders, Class for Champions of Excellence and Class for Talent has been designed to develop a pool of talented, high-quality, professional managers for the Company.



Compliance and integrity

The Company attaches importance to training on laws and regulations, integrity, professional ethics, and the employee code of conduct, and has incorporated relevant courses into the curriculum for centralised training programmes. Special courses on Regulations on Disciplinary Actions for Managers of State-owned Enterprises have been launched on the e-learning platform to strengthen employees' disciplinary and compliance awareness.



Employee career development

In 2024, senior professional title reviews in engineering, the economy, and accounting were carried out, with more than 450 applicants, of whom more than 200 were awarded senior professional titles. In 2024, five employees were granted special government allowance by the State Council, and more than 20 experts were recommended to compete for national talent awards or honorary titles.

Supporting Employees to Obtain Professional Certifications and Degrees

The Company encourages employees to actively participate in training and learning and has issued the Management Measures for Employee Learning and Training to support employees in improving their professional qualifications. Employees who participate in work-related training courses or obtain professional qualifications can be reimbursed for examination fees, training fees, etc; Employees are encouraged to pursue in-service academic degree education in disciplines relevant to their job responsibilities in their spare time, with the Company offering rewards to motivate them.

Based on its needs for business development and talent training and in accordance with its management measures for employees sitting external professional qualification examinations, CITIC Bank dynamically adjusted the list of qualification examinations, which cover 68 qualification examinations including Chartered Financial Analysts (CFA), Financial Risk Managers (FRM), and Certified Public Accountants (CPA), to encourage employees to improve their professional qualifications.

Talent Recruitment

In order to further attract talent, the Company continues to enhance CITIC's employer brand among outstanding graduates from top Chinese and overseas universities to provide strong talent support for the Company's high-quality development.

The Company and some subsidiaries work together with universities to coordinate efforts to recruit high-quality talent. We held 2025 campus talks in Tsinghua University, Fudan University, Renmin University, and other top universities to provide counselling for and have exchanges with college students about job opportunities. Representatives of outstanding students visited CITIC Tower at the Company's invitation.

Health and Safety

The Company implements laws, regulations and standards related to safety in production and has developed rules on safety and made improvements to the risk prevention and resolution mechanism to ensure safety during production. At the same time, the Company actively identifies and systematically assesses occupational health risks to protect the health of employees.

Systems Designed to Ensure Safety in Production

Safety management systems

Digital management systems are used to supervise and inspect safety management systems and emergency plans of subsidiaries at all levels, which are urged to continuously improve the relevant systems and mechanisms for safety management, revise rules and regulations on safety in production and emergency plans on a timely basis and in accordance with industry management standards and regulatory requirements. Drills are organised based on actual circumstances to check how relevant systems and mechanisms are operating and to consolidate the foundations of safety management.

Identification and disposal of potential safety hazards

As the main responsible entity for safe production, subsidiaries at all levels are guided to systematically investigate loopholes and weaknesses in safety management, detect and dispose of safety hazards in high-rise buildings, underground spaces, fire safety, dust explosions, gas safety, etc. Special inspections are conducted on financial institution outlets, hospitals and nursing homes, and projects under construction to systematically identify safety risks in key areas of the Company.

CASE

CITIC Pacific Mining has improved its emergency response system from multiple dimensions

In line with the characteristics of the project which has a large mining area and widely distributed operations sites, CITIC Pacific Mining has set up medical aid stations in the port and the mineral processing area, equipped with emergency response facilities and equipment such as ambulances and fire engines, to ensure effective emergency response in the event of major safety accidents. At the same time, an emergency management team has been established, composed of a team leader, other team members, medical rescue workers, safety management personnel, and volunteers. An emergency response module has been incorporated into the mine safety system of CITIC Pacific Mining. Emergency rescue plans have been designed, and regular drills are held to improve the subsidiary's emergency management capabilities.



Emergency rescue drill by CITIC Pacific Mining in 2024

Improving emergency management

Revising the Company's Emergency Management Measures and comprehensive emergency plans and continuing to supervise subsidiaries to strengthen their emergency management systems. Precautions are taken to safeguard against heavy rainfall and other natural disasters in the flood season. The Company issues early warnings on a timely basis and requires all departments and subsidiaries to do a good job in taking various precautions, provides guidance on how to enhance emergency plans and precautions, and handles emergencies in a timely manner to ensure employees' personal and property safety.

Digital transformation of safety management

The Company has built a safety production management information system and an integrated digital platform for safety management for CITIC Limited and its tier-one subsidiaries to improve the quality and efficiency of safety management at the headquarters at the two levels. The safety management system can access meteorological disaster risk monitoring and early warning data released by the National Centre for Emergency Early Warning Information and sends early warnings to subsidiaries, to improve their ability to safeguard against, prevent, and respond to natural disasters and other emergencies.

Safety awareness publicity and education

Activities such as publicity safety in production month and fire safety publicity month were carried out to guide subsidiaries in enhancing awareness, with safety management experts being invited to give lectures to subsidiaries in a centralised manner. A series of videos about the Company's Safety Production Management Measures and other systems were produced to maximise publicity.

Improving Employee Care

Helping employees solve their practical difficulties

The Company spent more than RMB 3.65 million caring for disadvantaged workers. The Student Aid for the Fall Semester activity was carried out by the labour union, with RMB 287,000 allocated to help 105 disadvantaged workers alleviate their children's financial difficulties at school. The Company held 10 sessions with 49 classes, and 1 hands-on inquiry-based learning camp for employees' children during the winter and summer breaks.

Improving the employee psychological care plan

We care for our employees in remote areas and those working for affiliates in financial difficulties. The Company organised science lectures, one-on-one consultations, group consultations, psychological tests, and Q&As for them. In 2024, the Company organised activities to provide psychological counselling and care for 14 subsidiaries located in Xinjiang, Tibet, Qinghai, and other regions.

Improving the working conditions and environment for grassroots trade unions

We increased our efforts to jointly build facilities for employees with grass-roots units by allocating RMB 9.8 million of special funds to build 31 homes for workers, 28 workshops for model workers and craftsmen, and 23 care rooms (mommy's cabins) for female employees, for the benefit of front-line workers.



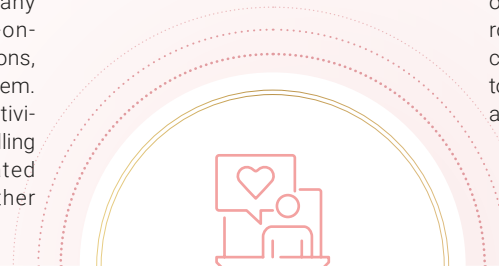
Maternity room at NISCO

Care for women workers

On certain festivals, including International Women's Day on March 8, we carried out joint learning activities, "Protect the Rights and Interests of Women Workers", and "Safety at Production - Women Workers in Action"-themed activities to popularise legal knowledge among employees, and a series of other activities for female employees to experience Chinese traditional culture, lectures on fitness and education of children, and visits to museums, to enhance female employees' sense of gain and happiness.

Enhancing the Company's ability to serve employees

Psychological counsellor qualification training (internal trainers) was carried out. 55 group cadres from the grass-roots trade union obtained the training certificate of staff psychological instructors (primary) through learning, practice and examination.



Adding Variety to Cultural and Sports Activities for Employees

In 2024, the Company organized the first CITIC staff sports meeting including basketball, football, table tennis, badminton, swimming, and other events, with a total of 30 teams and more than 1500 staff participating, fully demonstrating CITIC staff's vitality, resilience and enterprising spirit.



Table tennis match during the Company's staff sports meeting

Calligraphy and painting exhibition

From August to September, a calligraphy and painting exhibition with the theme "New China, New Era" was held to pay tribute to the new era and to enhance our employees' cultural confidence, where 60 pieces and another 40 outstanding pieces were selected from 738 submissions.



Staff painting and calligraphy exhibition

Company choir

A choir has been formed within the Company that holds activities every week. From September to November, a chorus contest was held for employees, which received positive feedback from employees.

Clubs

Employees have started up football, table tennis, photography and other associations which organise various activities to enrich employees' sports and cultural life.

Communication and Engagement

CITIC Limited provides employees with channels to express their opinions and offer suggestions using their real name or anonymously, encouraging employees to make their voices heard and to participate in democratic management and democratic supervision and provide their input about the Company's development. The headquarters and subsidiaries conduct an employee satisfaction survey every year and take corresponding improvement actions according to the survey results.

◆ CITIC Bank

Building a platform for employees' advice and suggestions - the Make Your Voice Heard platform provides an effective channel for front-line employees to find solutions to their problems. Since its launch in June 2022, the platform has received 3.5 million visits, and accepted more than 30,000 issues and suggestions from grassroots employees who received timely responses to their concerns.

◆ CSC Financial

Building an online Staff Home platform featuring a suggestion module which enables the company to hear from employees. Carrying out an annual people survey to understand employees' understanding of and satisfaction with their job, collect their suggestions and opinions on the Company's operations. The survey results will be used to guide the Company to continuously optimise day-to-day management and improve employee satisfaction.

◆ CITIC Resources

Encouraging employees to put forward more suggestions for the Company to understand their needs. For reasonable suggestions and needs, CITIC Resources actively takes targeted improvement actions to continuously optimise working environment and experience for employees. Organising employees to participate in the 2024 People Survey.

◆ CITIC Pacific Real Estate

The 2024 Corporate Culture Survey was carried out to evaluate the overall working environment of the Company, obtain important data about employee engagement, teamwork, and corporate culture, understand the needs of employees, take effective measures to improve corporate management efficiency, strengthen execution, and implement solid actions to improve corporate culture.

Protecting the Rights and Interests of Customers

CITIC Limited adheres to a customer-centric business philosophy, strictly abides by the requirements on product safety and quality compliance in the location where it operates, improves service quality and efficiency by continuously optimising the quality management system, and strives to provide customers and consumers with high-quality products and services, and protect their rights and interests.

Standardising Management Processes

The Company strictly abides by laws and regulations, protects the rights and interests of customers, and has formulated relevant policies and systems. The Company is against false publicity and unfair competition, optimises the customer complaint handling process, and strengthens customer information protection, to prevent customers' personal information being leaked. Financial subsidiaries attach great importance to the training and management of customer facing employees, such as customer managers and wealth managers, and hold training sessions on "consumer rights protection", "fair advertising and anti-discrimination", and "consumer financial adaptability", covering all marketing line employees.

◆ CITIC Bank

Targeted consumer protection training is delivered based on job category and work requirements, with a focus on suitability management, personal information protection, complaint management, and consumer protection reviews to constantly strengthen employees' awareness of consumer protection.

◆ CITIC Securities

The company strictly abides by the *Management Measures on Suitability of Securities and Futures Investors* and has revised the investor risk tolerance questionnaire and the scoring rules to truly reflect investors' risk tolerance. Strong matching requirements on risk levels in public fund sales are implemented to comprehensively improve suitability management standards.

◆ CSC Financial

China Futures, a subsidiary of CSC Financial, formulated the *Guidelines for Compliance Management in Relation to Elderly Customers*, as a day-to-day management mechanism to improve customer experience through a series of measures such as optimising the process for interviews with elderly customers, adding barrier-free facilities and printed materials in large characters.

◆ CITIC Trust

The Management Measures for the Mediation of Consumer Disputes were formulated during the year to clarify the relevant responsibilities of each department for mediation, standardise workflows, and further diversify the company's mechanism for resolving financial consumer-related disputes. The company revised the *Management Measures for Handling Consumer Complaints*, the *Management Measures for Internal Assessment of Consumer Protection*, and the *Management Measures for Sales Agencies* to define the responsibilities in case of complaints, the process for complaint handling, consumer protection assessment indicators, and management requirements for sales agencies.

Customer Privacy Protection

The Company strictly abides by local data and privacy protection laws and regulations, actively requires subsidiaries at all levels to develop and improve privacy protection related policies, embeds privacy compliance requirements into business processes, and adopts a practical approach to standardise the collection of customer information, prevent infringement of customer privacy, and continuously strengthen the Company's information security capabilities.

The Company requires that, when processing personal information of customers, employees must, in accordance with the provisions of personal information protection laws, collect personal information only after having informed customers of the purpose for which the information is collected and the method and scope of collection, and having obtained their consent. All customer data should be obtained using legal and appropriate means, and personal information processing must have a reasonable purpose to avoid collecting more customer data than is necessary. The Company is committed to ensuring the security of all customer data and prohibiting any unauthorised and illegal processing. All collected data will be stored only for a definite period after which all data will be properly destroyed irrecoverably.

◆ CITIC Bank

For retail customers, the company informs them and obtains their consent before collecting information to protect their privacy. When collecting and using customer information, only a minimum amount of information is collected for a valid business purpose, and only such information as is necessary for providing customer services is collected, in line with laws, regulations, and regulatory requirements. After a customer cancels a service, the company will stop collecting his/her relevant personal information. When the information collected is more than what is permitted by laws and regulations or when the business relationship is terminated, the customer information will be deleted or anonymised unless otherwise specified by laws, regulations, regulatory requirements, or authorised and agreed upon by the customer.

For corporate customers, the company processes customer information in a lawful, integrity-based manner and only when there is a valid business purpose, in accordance with the provisions of the *Management Measures of CITIC Bank on Customer Identification and on Retention of Customer Identity Data and Transaction Records*. Processing should not be misleading and is free from fraud or coercion. In terms of the collection, use and retention of corporate customer information, an access control has been deployed to ensure that only authorised personnel can access customer information.

◆ CITIC Securities

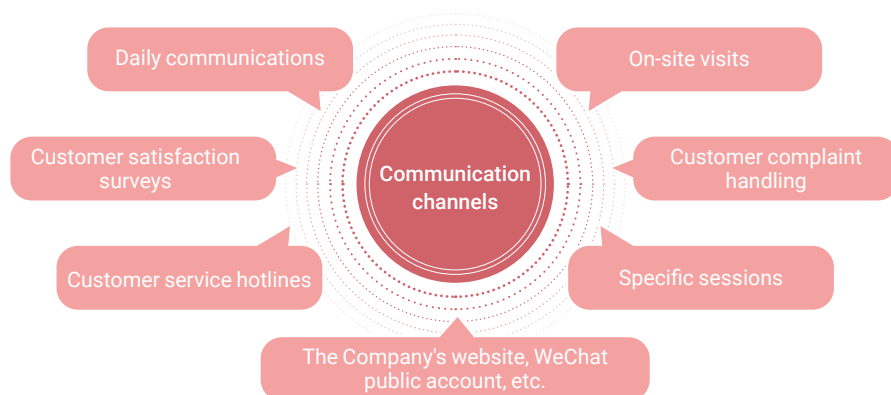
The company revised the *Implementation Rules for Data Security Management of CITIC Securities Co., Ltd.* and the *Management Measures for Personal Information Protection of CITIC Securities Co., Ltd.* to further optimise the data security management system and improve its feasibility. At the same time, the company carried out a cross-border data declaration, signed the standard contract for cross-border flows of personal information in the Guangdong-Hong Kong-Macao Greater Bay Area, took inventory of and classified corporate data assets, identified key data, and strengthened privacy protection on applications to comprehensively improve the effectiveness of information security and privacy protection.

◆ CSC Financial

The company has developed internal systems such as the *Data Security Management Measures*, *Management Measures for Data Categorisation and Classification*, and *Personal Information Protection Management Measures*, and continues to build data security and privacy protection systems. The company implements controls over and detects all nodes in the information system life cycle, integrating data security into every process. The process to use customer information is managed and supervised. Every three years, an external professional organisation is engaged to carry out a comprehensive audit on the company's information technology management, including data security.

Communication with Customers

The Company continues to optimise its customer communication channels as part of its commitment to meeting the needs of different customer groups by creating a diversified communication platform. The Company is further integrating its online and offline resources to ensure the efficiency and accuracy in receiving information, collecting and handling customer feedback to provide customers with an excellent experience that enhances customer satisfaction and achieves win-win results for the Company and customers.



Educating Financial Consumers

The Company actively takes on its responsibilities by carrying out a variety of financial education initiatives to educate the general public on financial knowledge and providing financial consumers and investors with essential knowledge and tips on preventing financial risk, helping drive a harmonious and orderly environment for financial consumers and stakeholders.

◆ CITIC Securities

- Carrying out security awareness and anti-telecom fraud education campaigns, especially on how to prevent illegal securities activities, illegal fund-raising, and telecom frauds; releasing a variety of online educational videos and articles on the WeChat public account and "CITIC Securities Investor Education Base" channel to reach more people and help investors understand the importance of being careful and reasonable.
- In 2024, the company conducted Mid-Autumn Festival themed activities during the second Shenzhen Financial Education Festival, to provide the audience with an interactive experience while teaching them about anti-fraud essentials, improving their financial literacy and security awareness.

◆ CITIC Trust

- Extensively releasing educational articles, animated videos, comics, and "executives on financial consumer protection" videos on various platforms, including the Wealth Centre site, the company's website, and the WeChat public account and video channel, the WeChat public account for CITI Capital, Snowball, Baijiahao, as well as CITIC Trust's app, with a focus on topics including financial consumers' eight rights and general information about trust finance as well as on typical financial fraud, to help financial consumers understand financial knowledge and develop risk awareness.
- An educational short film titled "Insurance Fund Trust and Wealth Management" produced by the company was launched on BRTV's financial programme "Bee Plan" to help consumers understand the origins of trust.

◆ CITIC-Prudential Life

- In terms of offline publicity and education, the company focuses on conducting campaigns in rural areas, communities, schools, enterprises, and CBDs, and sends tips through multiple touch points, such as hotline voice calls, intelligent customer services, and SMS, to educate consumers on the importance of integrity and compliance with rules and contracts.
- In terms of online publicity and education, the company has launched an innovative cloud-based "education hall" designed to provide the public with an immersive learning experience with wide-ranging topics and multiple perspectives. This platform reached a total of 32.19 million consumers throughout the year, 2.8 times more than that in 2023.

◆ CSC Financial

- Leveraging its investor education base, "Jingxin School", the company integrates its online and offline resources to hold various educational activities. In 2024, the company worked with CITIC Bank, CITIC Prudential and other institutions to launch a "financial career experience class" at its education base for Gen-Z students from Beijing No. 4 Middle School. The company conducted tours of the education base, visits, lectures, and simulation sandbox training for the students to help them understand the market positioning, roles, and responsibilities of different types of financial institutions, such as brokers, banks, insurers, and public funds, and how the financial services industry and capital markets develop and operate.

Customer Feedback and Complaints Resolution Process

CITIC Limited conducts satisfaction surveys through different channels and its customer service hotlines to collect customer feedback and optimises relevant processes accordingly. At the Company and its subsidiaries, the board, or an equivalent entity, annually reviews customer complaints and develops management strategies designed to minimise customer complaints and solve recurring issues identified from customer complaints, helping reduce the customer complaint rate and enhance service quality.

Improving Returns to Shareholders

CITIC Limited is committed to sharing the Company's success among all shareholders by improving shareholder value and returns. In November 2024, CITIC Limited released its shareholder return plan for the first time, which clearly states that based on the future capital needs and financial costs, the company will distribute no less than 27% and 28% of its net profit attributable to common shareholders as cash dividend in 2024 and 2025, respectively, while trying to get the figure to 30% in 2026. This year saw increases in both the amount and percentage of cash dividends in net profit attributable to common shareholders.

Communication with Investors

To meet the expectations and demands of shareholders and investors, CITIC Limited has been expanding communication with shareholders and investors throughout its business processes by establishing a standardised communication mechanism. In this way, the Company is able to listen to stakeholder voices through multiple channels and platforms and address their concerns, to continuously improve communication effectiveness and efficiency and build a harmonious and stable relationship with shareholders. The Company holds earnings conferences, roadshows, and reverse roadshows regularly and on an ad-hoc basis throughout the year and meets with investors and analysts across the Middle East, Hong Kong SAR and Macao SAR, and Beijing, Shanghai and Shenzhen.

Stakeholder	Related ESG topics	Communication channels
Shareholders and investors	- Product and service quality - Occupational health and safety - Integrity and business ethics - Comprehensive risk management - Training and career development	- Regular and interim reports - Annual General Meetings - Investor research - Earnings conferences - Roadshows - Online communication and email

Investor Relations and Communication Channels

CITIC Limited releases relevant materials on its website so that all stakeholders can access them concurrently. Under the "Investor Relations" section, CITIC Limited provides the latest and historical information about the Company, including promotion slides and announcements. CITIC Limited ensures that all these materials are available on its website in both Chinese and English.

CITIC Limited regularly prepares annual reports, and interim reports to ensure all stakeholders are kept up to date with information about the Company's latest strategies and developments. CITIC Limited also releases its announcements on the Hong Kong Stock

Exchange's website in accordance with the Listing Rules.

When releasing its earnings, CITIC Limited will hold a briefing for investors and analysts, and add the presentation slides to the online live broadcast so that stakeholders can follow up on the briefing immediately.

CITIC Limited also regularly meets with investors and analysts according to its internal policies and engages in investor roadshows and industry conferences. The Company will not discuss or disclose any internal information during such activities.

Considered as one of the most important meetings in a year, the Annual General Meeting provides a platform for shareholders to comment on the Company's developments, raise questions to management, and vote on items on the agenda. The details of the meeting and the voting results are released on the Company's website.



The CITIC Limited team during a roadshow carried out in the Middle East in November 2024

CASE

Holding the Open Day Event - "Getting to Know CITIC"

2024 marked the fourth year that CITIC Limited conducted the Open Day event - "Getting to Know CITIC". The Company continues to enhance communication with stakeholders to reach more investors, customers, partners, communities, and other stakeholders in different ways. The Company invites them to on-site tours, an art-culture walk, lectures, and other activities so that they are able to see how the Company evolves and fulfils its social responsibilities.

Top figure: With the theme of CITIC's service brand "CITIC, Your Trusted Partner for Going Global" and "CITIC, Your Trusted Partner for Coming to China", CITIC Securities held the 2024 Investor Open Day event, in which the company introduced to the invited customer representatives, institutional investors, analysts, and media reporters, key development milestones and breakthroughs the company had made in international business areas. This event fully demonstrated the company's investment value and enhanced its investor relation management.



Bottom figure: CITIC Pacific Properties held the "Getting to Know CITIC - Art-Culture Walk" event in August, and organised for over 80 people on-site to tour the most iconic CITIC Pacific properties in Shanghai and Wuxi, for them to see how the company plays its role in promoting better urban lives and serving the country in Shipyard 1862, Wuxi "In Lake Ville", and other places.



Enhancing the Comprehensive Service Quality

CITIC Limited adheres to the "customer first" business philosophy and has launched the service brand "CITIC, Your Trusted Partner for Going Global" and "CITIC, Your Trusted Partner for Coming to China", with the aim of serving clients when they "go global" or "come to China", while continuing to enhance the product quality management system and service efficiency to provide customers and consumers with high-quality products and services.

Serving Clients "Going Global" or "Coming to China"

The Company continues to integrate its global financial service capabilities and deepen its global partnership with industrial businesses across multiple fields, with the aim of promoting mutual benefits and building a bridge facilitating economic, social and cultural exchanges between China and its foreign counterparts. As at the end of 2024, operating in about 160 countries and regions around the globe, the Company had established an extensive global business network, including setting up branches in New York City, London and Hong Kong SAR. The Company clearly strengthens its international talent development by attracting and acquiring top talent from overseas markets. As a key step in safeguarding its international development, the Company works to establish an international talent pool to support its global expansion and operations and further enhance its global competitiveness.

Serving Customers "Coming to China"

CASE

CITIC Bank creates a high-quality financial service brand for foreigners "coming to China"

In 2024, CITIC Bank launched a financial service brand "CITIC, Your Trusted Partner for Coming to China", with the aim of better addressing the payment needs of foreign visitors, the elderly, and other customer groups. With a focus on eight key areas: foreign currency exchange services; cash withdrawals via self-service machines for foreign-currency cards; cash service guarantees; global card acquiring services; the account opening process; innovative mobile payment products; financial services for the elderly; and publicity & promotions. The company started to provide card acquiring services for MasterCard and Visa credit cards, while adding 88 foreign currency exchange service points, and installing its first self-service currency exchange machines. The company also fully optimised its payment services and released videos and posters for its new "China Say Hi" campaign.



Posters for CITIC Bank's "China Say Hi" campaign

Serving Clients "Going Global"

In 2024, CITIC Securities and CSC Financial actively helped science and innovation enterprises connect with international capital markets. Accordingly, CITIC Securities completed 22 IPO projects and 9 refinancing projects in the Hong Kong market, with an underwriting scale of USD 2.7 billion; CSC Financial completed three IPO projects in the Hong Kong market, raising HKD 7.4 billion.

CASE

QuantumPharm Inc. becomes the first tech company to be listed on the HKEX under Chapter 18C of the HKEX's listing rules - CITIC Securities acted as sole sponsor



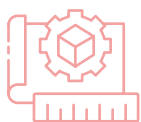
QuantumPharm Inc. (now known as "XtalPi Holdings Limited") launched its initial public offering (IPO) on the main board of the Hong Kong Stock Exchange ("HKEX") in June 2024, making it the first tech company to be listed on the HKEX under Chapter 18C "Specialist Technology Companies" of the exchange's listing rules since the introduction of the new listing regime. CITIC Securities acted as sole sponsor, overall coordinator, joint global coordinator, joint bookrunner, and joint lead manager. This listing will enable QuantumPharm Inc. to further strengthen its competitive advantages in the marketplace and expand its business both at home and abroad, helping activate the capital market while injecting new vitality into the high-quality development of China's artificial intelligence and robotic process automation industries.



CITIC Securities acted as the sole sponsor on QuantumPharm Inc.'s IPO on the main board of the Hong Kong Stock Exchange

Strengthening Quality Management

The Company urges all its subsidiaries to develop a quality management and supervision system to effectively enhance quality management while keeping in mind the entire lifecycle, from product quality planning and process quality planning to process quality management and after-sales service management, with the aim of ensuring product quality meets established standards. As at the end of 2024, many subsidiaries had been certified under ISO9001, ISO45001, ISO14001, and other professional standards, effectively ensuring the quality and safety of related products and services.



Product Design and R&D

◆ Nanjing Iron & Steel

Continuing to develop competitive and advantageous products, with a focus on a wide range of green and high-performance products, such as high-end offshore ships, cutting-edge hydrogen storage and transportation, ultra-low temperature containers, special composite plates, and special alloys; conducting research and development and marketing on high-end new products and high value-added products to meet the growing needs.



Product Quality Verification Programme

◆ CITIC Heavy Industries

A sound quality inspection management system has been established; certified by China National Accreditation Service for Conformity Assessment, its Metrology and Testing Centre possesses a variety of professional inspection and testing techniques, such as measuring, physical and chemical inspection, non-destructive testing, etc., which enable the company to strictly control its product quality throughout the production process from raw materials to finished products. In 2024, the company did not experience any product recall of unqualified items or any consumer complaints.



Product Traceability and Early Warnings

◆ CITIC Dicastal

To strengthen quality and value chain management throughout the product lifecycle, the company has established an intelligent quality management platform, which enables the company to quickly and accurately trace products to their batch through a QR code, conduct active data monitoring, and issue early warnings against quality risks.



Product Safety Events and Recalls

◆ Dah Chong Hong

Continuously is improving its product quality management and verification process as well as the recall process for unqualified items. Dah Chong Hong's major food companies have been certified under ISO22000 and the Hazard Analysis and Critical Control Point (HACCP). At the same time, the company has developed a product recall guide for food business and requires all unqualified items to be handled according to this guide.

Enhancing Service Capabilities

The Company regards "staying trusted by our customers" as the key to building an excellent enterprise group. Therefore, from the perspective of addressing customer demand and experience, the Company has been fully integrating its resources related to products, services and technology to drive efficiency and enhanced experience for customers, while continuing to enhance its service capabilities and quality.

Developing Smart Services

CITIC Bank

Conducting R&D and marketing on its mobile smart counters and digital cloud stores to expand its service coverage; expanding remote customer services through telephone, enterprise WeChat, a 24/7 bilingual multimodal customer service centre and other online channels, which aim to provide customers with equal access to convenient and efficient financial services at their fingertips. In 2024, its remote customer service centre actively contacted customers 100 million times, reaching nearly 20 million customers. Using the shortcut "85" added to the 95558 voice-menu, elderly customers, which the system can accurately identify, can access the "Happy Line" manual service with one button. The company has also installed upgrades to its intelligent voice service, which served 630,000 elderly customers throughout the year.

CITIC Trust

Actively responding to the "Digital CITIC" strategy by developing a company-wide data platform, using digital technology and data elements; seizing opportunities amid AI innovation to complete its "AI plus" action plans. The company has launched a programme to develop an "AI-driven assistant for the capital asset matching system".

Professional Services Support

CITIC Prudential Life

The company has launched an insurance service platform - "E-Partner", which provides customers with the latest information, customised products, and thoughtful & timely services throughout the lifecycle.

CITIC Heavy Industries

The company has developed a marketing service platform that can exchange data with production, design, procurement, OA and other systems, and that enables customers to perform administrative tasks, submit and track service tickets, and conduct data analysis, among others. The platform also effectively drove service efficiency by shortening the average response time to less than 3 hours in 2024.

Enhancing Customer Satisfaction

CITIC Securities

The company attaches great importance to communicating with customers and ensures the accountability at the department, business line and branch levels, while improving its complaint management system and actively solving issues identified from customer feedback. The company received an overall customer satisfaction rate of 99.4% for effectively addressing customer enquiries.

Jointly Building a Harmonious Community

CITIC Limited continues to address social needs by supporting events for good causes and conducting innovative public-interest activities. The Company has established a diversified public-interest platform, while encouraging its people to volunteer their time and efforts towards these activities as a way to serve and give back to society. The Company is committed to contributing and helping build a harmonious community by sharing its achievements with society as a whole. In 2024, to drive the Company's efforts in this regard, the public-interest management department met regularly to understand and supervise the latest developments and the use of money on the public-interest programmes from subsidiaries.

Supporting the Development of Elderly Care Programmes

The Company places great emphasis on meeting increasingly diverse elderly care needs and fully supports the development of elderly care programmes while continuing to expand its pension financial ecosystem. In 2024, to address the needs of individuals and the pension industry throughout the lifecycle, CITIC Limited continued to upgrade its "Happiness plus" pension financial service system, with the aim of building an "internal and external dual cycle" pension financial ecosystem, helping drive China's silver-haired economy. Fully licensed to provide pension services, the Company has established a "Pension Finance Workshop" and a "Pension Workshop" under CITIC Financial Holdings' Wealth Management Committee, which managed pension funds totalling RMB 1.2 trillion in 2024, up 12.3% year on year.

Managed pension funds
totalling RMB

1.2 trillion
in 2024

◆ CITIC Bank

The company actively supports the construction of a multi-level and multi-pillar pension security system by expanding its pension financial products and services. As at the end of 2024, the company had opened a total of 2.1882 million individual pension accounts, up 136.04% year on year.

◆ CITIC Trust

CITIC Trust undertakes occupational pension plans in many provinces and sets up the "CITIC Trust Yingying Changqing Enterprise Annuity Collective Scheme" - CITIC's first fully licensed enterprise annuity collective plan. The Scheme managed funds totalling RMB 893 million, representing an increase of RMB 862 million in the year.

◆ CITIC Prudential Life

On 18 December 2024, the annual Future Conference themed "Trust in the Future and Trust in Pensions" was held in Beijing. During the event, CITIC's Pension Finance Workshop under CITIC Financial Holdings' Wealth Management Committee released its pension finance brand, "Trust in the Future and Trust in Pensions", together with a pension financial services ecosystem plan. In addition, CITIC Prudential Life joined with CITIC Industrial Investment, CITIC Medical & Health, Huawei Terminal, Yizhun AI, Xingshulin and other enterprises in launching an "AI-driven HealthCare Laboratory".



The launch ceremony for CITIC's pension finance brand "Trust in the Future and Trust in Pensions"

◆ CSC Financial

In 2024, the company launched 283 public FOF products online on a commission basis, taking its product coverage to 80%; the "Jiaxin" series was launched – a self-developed product under the pension financial service category, with a total scale of RMB 4.2 billion; more than 3,300 roadshows and 460 discussions/surveys for National Social Security Fund and insurance pension companies were conducted.

◆ CITIC Industrial Investment

Under CITIC Aged Care, the company focuses on providing centralised elderly care services. Based on its customer-centred approach, it has developed three product lines, namely, "CITIC Sincere Care & Nursing Home" (a single institution), "CITIC Happiness & Joyfulness" (a downtown elderly care complex), and "CITIC Xinlan Land" (a suburban retirement community for continuous care), offering self-care apartments, elderly care institutions, and nursing homes, to meet the needs of the elderly of all ages.

◆ CITIC Pacific Health

Leveraging mobile applications, intelligent wearable devices, interactive video monitoring systems, etc., the company tracks the health status and maintains personal electronic health records of the elderly. The company has designed and developed a mini-programme called "Taifu Yihujia", which enables users to make appointments online and receive care at home, creating a home-based healthcare service model for the elderly using the Internet.

Caring for Minors

◆ CITIC Bank

CITIC Bank's subordinate company, CITIC Wealth, has developed an innovative financial services model that combines charity by creating the "Warm Childhood" programme - the first in its kind in the industry, under which the company enters into an agreement with charities to donate a fixed proportion of funds for these charity financial products, excess earnings, etc. on behalf of investors. In 2024, RMB 4.8841 million was donated to support the aesthetic education for children in rural areas and other fields, with 14,000 drawing kits and 2,674 science and innovation kits distributed, benefiting nearly 17,000 primary school students.



■ The "Warm Childhood" programme - CITIC's charity brand

◆ CITIC Securities

CITIC Securities has set up a public welfare fund in cooperation with the China Foundation for Rural Development. In 2024, the company contributed more than RMB 2.6 million to a variety of support programmes, such as the "CITIC Teacher Upskilling Plan", and the "CITIC Self-improvement Class Plan", implemented in Yuanyang county (in Yunnan province), Jishishan county (in Gansu province), Guyuan county (in Hebei province) and other counties. These programmes are designed to bring high-quality education resources to rural areas and key counties under China's rural revitalisation strategy, to help teenagers in these locations better develop and grow.

◆ CITIC Trust

In 2024, the company donated RMB 300,000 to two specific charity projects: one in Baihe Town, Pingbian, Yunnan aiming to bring air conditioners to local primary and secondary schools in the hot summer; one in Yuanyang, Yunnan aiming to improve the learning and living environment in local primary and secondary schools.

◆ CITIC Dicastal

CITIC Dicastal has established the "Chun Yu" programme to raise money through fund-raising activities. This programme aims to help students in rural areas in Qinhuangdao city pay their tuition and purchase school supplies, and provide scholarships so that these students can continue with school education.

Supporting Groups in Need

Support for the elderly

In cooperation with the Hong Kong Association of Aging in Place Limited, a volunteer team from CITIC Pacific and Dah Chong Hong held the "Sending Blessing Bags with Love to Celebrate the Mid-Autumn Festival" activity, which distributed blessing bags as well as home-made cards to 2,000 elderly people around Mid-Autumn Festival, sending our festival wishes for the elderly people on this important holiday.

Support for people in disaster-hit areas

When rare, heavy rainstorms hit Hunan province in the summer of 2024, CITIC Prudential Life acted quickly by sending people to help the fight against the floods in Zixing county, Chenzhou and Huarong county, Yueyang. The company also donated more than RMB 40,000 of grain, oil, rice, and other urgently needed materials to the disaster-stricken people.

Support for special groups

CITIC Dicastal organised a team of young volunteers to visit Xingyao School for children with autism and Shanhaiguan Comprehensive Service Centre for the Disabled in Qinhuangdao city, sending them our care and love by bringing gifts and spending some quality time with them.



■ CITIC Dicastal carries out volunteer activities for special groups

Actively Serving Community Development

At CITIC Limited, we acknowledge our responsibility to be a positive force in the communities in which we operate. We actively engage with local stakeholders to understand their needs and expectations and provide active assistance and support from cultural, pension, health, environmental governance, and other aspects. Through these efforts, we aim to build a foundation for sustainable growth for both CITIC Limited and the communities we serve.

Chinese Mainland

Organising free clinics

Hospitals under CITIC Pacific Health implement the requirements for national basic public health service projects, empower residents to adopt self-care practices, and strive to help reduce the incidence of chronic diseases and complications, ultimately improving the overall quality of life of residents in the communities they serve. In 2024, to meet the various medical and health demands of residents in different communities, more than 300 health lectures, community free clinics, and other activities were held, involving more than 1,200 volunteers and benefiting more than 23,000 residents.

Protecting cultural heritage

CITIC-Prudential Life cooperated with the Zhengzhou Literature and Art Branch of the China Democratic League and held a public welfare calligraphy and painting conference, which combined the inheritance of an excellent traditional culture with the promotion of the high-quality development of the insurance industry, so as to facilitate the inheritance and protection of fine traditions of Chinese culture.

Create a fascinating environment

In 2024, the Company voluntarily donated RMB 798,000 and planted 39,900 trees. We did a good job in the management and care of 18,000 mu of protected forests in Huangyangtan, fostering 58,000 seedlings, with 8,000 seedlings replanted.

CITIC Dicastal, together with the nearby Shenhe Jiayuan community, organised a volunteering service activity with the theme of "actively participating in garbage classification to create a fascinating community environment".

Outside Chinese Mainland

Hong Kong and Macau

◆ CITIC Trust

CTI Capital under CITIC Trust actively participated in local community activities in Hong Kong. It held CITIC caring activities by visiting residents during the "July 1st Celebration" period, and distributed a total of 2,500 blessing bags to community neighbourhoods to celebrate the return of Hong Kong. It also helped organise the 9th Sports Games of China Company Association in Hong Kong, engaging in preparation and logistical support for the event.

Australia

◆ CITIC Pacific Mining

Organised employees and expatriated personnel of contractors to memorialise the martyrs of the Australian and New Zealand Army Corps (ANZAC Day) and Memorial Day. It respected and supported the cultural customs and relevant regulations concerning indigenous groups and indigenous employees, and funded the annual celebration of the National Aboriginal and Islander Day Observance Committee (NAIDOC) to promote cultural exchanges and mutual understanding.

Africa

◆ CITIC Construction

During Ramadan in Algeria, CITIC Construction distributed 100 packages of Ramadan food to schools for the mentally disabled children in Taft, comforting dozens of disabled kids. It also donated 140 packages of Ramadan food to the Great Mosque of Constantine. The total value of such donations was about RSD 2.1 million (about RMB 110,000).

Central Asia

◆ CITIC Resources

On the 50th anniversary celebrating the discovery of crude oil in the KBM Mining Area of Kazakhstan, CITIC Resources donated a 380 square meter all-function children's playground to Aktau District 14.

CASE

Joining hands to care for young people's mental health

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

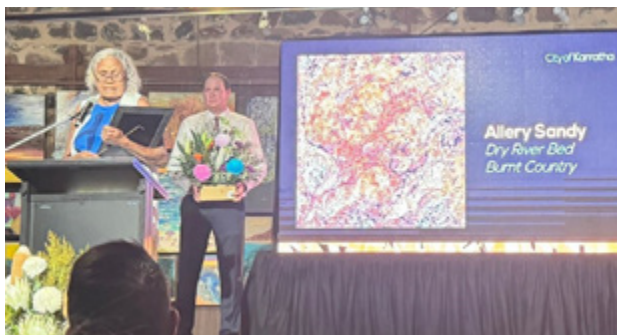


The "CITIC CLSA Trust Youth Mental Health Programme" launched by CITIC CLSA Trust and Po Leung Kuk

CASE

CITIC Pacific Mining sponsored the local "Emerging Young Artists" award

The Cossack Art Awards in Kalasha of Western Australia is one of the most prestigious arts promotion activities for indigenous youth in an area where one of CITIC Pacific's projects is located. CITIC Pacific Mining has sponsored the "Emerging Young Artists" award for many years, providing support for the selections for the Cossack Art Awards, and encouraging the artistic creation of indigenous groups.



Representatives from CITIC Pacific Mining attended the 2024 Cossack Art Awards

Employer-Sponsored Volunteerism

At CITIC Limited, we are passionate about fostering a culture of volunteerism among our employees. We actively support our subsidiaries in establishing volunteer service groups. This dedication has led to a network of over 30 youth volunteer groups, made up of more than 12,500 young volunteers across the entire CITIC system.

CASE

CITIC Securities' volunteers visit Guyuan No. 1 Middle School with warm volunteering services

In September 2024, CITIC Securities visited No. 1 Middle School in Guyuan County, Zhangjiakou City, Hebei Province for the 13th consecutive year to carry out volunteering services. More than 30 young volunteers from CITIC Securities head office and its subsidiaries actively interacted with disadvantaged students in well-organised cultural and sports activities. Over the years, CITIC Securities has invested a total of RMB3.9 million in improving the hardware facilities and instructional environment of Guyuan No. 1 Middle School, supporting more than 1,500 students from poor families. It also co-operates with the China Foundation for Rural Development in implementing the "CITIC Teacher Improvement Plan", aimed at providing training and educational research support for teachers at Guyuan No. 1 Middle School.



CITIC Securities' volunteers interact with students of Guyuan No. 1 Middle School during cultural and sports activities

Enriching the Cultural Lives of Citizens

At CITIC Limited, we cater to the diverse knowledge and cultural needs of residents by stepping up our investments in cultural industries. Our commitment extends beyond simply offering knowledge services and cultural products. We actively promote reading initiatives and the appreciation of fine arts, striving to make these enriching experiences accessible to all.

CASE

Promoting a national reading campaign for cultural revitalisation



Over the past three years, CITIC Press has been a proud donor to the National Conference on Reading's book donation programme. Various types of youth books were selected, such as sci-tech publicity, history, culture and education, to promote the national reading campaign and improve people's cultural literacy. CITIC Press also joined hands with Shanghai Soong Ching Ling Foundation and Sina Finance to launch the "Lightening the Future" special children's reading campaign, so as to empower children and adolescents with books. In 2024, books published by CITIC Press won a number of national and ministerial awards, and were selected for 48 national-funded book lists and highly recommended lists, delivering positive social impacts.

CITIC Press took "cultural revitalisation" as an important measure to consolidate and expand the achievements of poverty alleviation and effectively connect with rural revitalisation. 7,900 books were donated to CITIC Limited's paired districts and counties for targeted assistance in Xizang, and "Dream Classrooms" were delivered to 15 local primary and secondary schools for the fourth consecutive year, covering about 2,500 participants.

CITIC Environment and the Agricultural and Rural Program Centre of China Central Radio and Television Station jointly launched the public welfare project "CITIC Environment's Book House with Beautiful Sight", aiming to improve the reading environment for rural children and promote rural revitalisation.



The delivery ceremony of the "CITIC Environment's Book House with Beautiful Sight" at Daqing Primary School in Xichang City of Liangshan Prefecture

Strictly Protecting Customer Rights and Interests



The Company adheres to the people-oriented and customer-centric principle in providing financial services. It strictly implements relevant regulatory requirements, and requires all subsidiaries to provide consumers with warm financial services by continuously improving the quality and efficiency of their consumer protection initiatives.

Policy and management system for customer rights protection



- CITIC Bank strictly implements regulatory requirements and has established a "1+15+2"¹ rule-based management system for the protection of consumers' rights and interests. The Board of Directors assumes ultimate responsibility and takes charge of the overall planning and guidance for the protection of consumers' rights and interests. In 2024, we incorporated the protection of consumers' rights and interests into the *Development Plan of CITIC Bank for 2024-2026*, striving to perform our customer protection obligations through "five enhancements"² in a manner that is recognised by customers, regulators and organisations.

Measures for product or service reviews and risk monitoring



- In 2024, China CITIC Bank revised the *Administrative Measures for Consumer Protection Review concerning Products and Services of CITIC Bank (Version 4.0, 2024)* and the *Guidelines for Consumer Protection Review concerning New Products and Services of CITIC Bank (Version 2.0, 2024)*, and formulated 200 items around 10 key areas to be reviewed based on key business scenarios and product lines. In 2024, CITIC Bank conducted consumer protection reviews for 24,398 transactions, up 21.63% year-on-year, and issued 7,947 review comments, up 25.19% year-on-year. The comments were 100% accepted, demonstrating the continuous improvement of the quality and efficiency of CITIC Bank's consumer protection review programme.

Fair advertising policy



- CITIC Bank has formulated the *Administrative Measures for Financial Marketing and Publicity of CITIC Bank* and the *Tips and Reminders for Compliant Conduction of Marketing and Publicity Activities*, to comprehensively strengthen the standardised management of marketing and advertising behaviour.
- For wealth products under consignment, a lifecycle management and control system has been established to promote product distribution, covering cooperative organisation management, product access and duration management, distribution compliance management, distribution qualification management, appropriateness management, traceability management, etc., aiming to strictly control distribution risks and effectively protect the legitimate rights and interests of consumers.
- For private banking products under consignment, an E2E management mechanism has been established for product access, product distribution, and product duration, empowering employees through training and other fostering means.

1.Refers to 1 programmatic system, 15 specialised systems, and 2 rules of procedure.

2.Refers to enhancing cultural system construction, enhancing responsibility management system construction, enhancing the in-depth integration of consumer protection into business scenarios, enhancing talent pool construction, and enhancing digital capacity construction for consumer protection purposes.



Loan modification options



- Upon receiving relevant application materials from customers, CITIC Bank changes loan elements or loan-related information in line with requirements for customers to reflect the actual needs of customers based on changes in their income, repayment accounts, paydays, etc. Based on the various elements applied to be adjusted by customers, CITIC Bank provides changes of credit type such as cancellation of credit lines, and guarantee limit changes, as well as changes of loan type, such as adjustment of repayment accounts, repayment dates, interest rates, and repayment methods.

Debt collection policy



- For personal credit business, CITIC Bank has formulated internal regulations, including the *Administrative Measures for Personal Loan Recovery of CITIC Bank* and the *Operational Rules for Personal Loan Recovery of CITIC Bank*. For personal loans that are nearly due and about to be repaid, CITIC Bank sends repayment reminders to customers via SMS, phone calls, and other methods before the repayment date based on the status of customers and products. For personal loans not long overdue, collection is mainly conducted via SMS, AI voice calls, and phone calls. If the loans are still outstanding, collection will be carried out in CITIC Bank's own manner or by outsourcing according to the situation. CITIC Bank carries out regular (at least once a year) training sessions for all post-loan collection staff, covering rules & policies, business processes, system applications, etc.
- For the credit card business, CITIC Bank conducts collection by adopting customer-stratification and customer-case strategies. The customer-stratification strategy is mainly based on the collection score, the overdue period, complaint attributes, special card products and other factors. The customer-case strategy is based on customer stratification and aims to maximise the collection efficiency by allocating customers to different channels and teams to match the most suitable collection means. Major collection methods include SMS, AI voice calls, phone calls, collection letters, door-to-door collection, litigation, etc. Meanwhile, CITIC Bank improves the competence of the post-loan management team through face-to-face training sessions, e-learning courses, practical activities, business discussions, case studies, and other diversified forms. The management of cooperative institutions are strengthened to improve their service quality.

Financial literacy promotion for key groups



- CITIC Bank attaches great importance to financial literacy promotion for the elderly, young people, new citizens, rural residents, and other key groups. It fully considers the diversity and differences of these key groups, and carries out financial publicity activities in a way that makes it easy for such key groups to understand. In 2024, CITIC Bank actively cooperated with regulators to carry out "March 15" consumer protection publicity activities, 2024 "Financial Publicity Month" activities, publicity month activities on anti-illegal fund raising, and other centralised education and publicity activities. In total, CITIC Bank carried out 12,432 centralised education and publicity activities on consumer rights protection, covering 471 million consumers.



Financial Consumers' Complaint Handling Process

To ensure customer complaints are properly handled in a timely manner, CITIC Limited requires financial business subsidiaries to set up independent product complaint and review processes, carry out E2E closed-loop management upon receipt of tickets, send system alerts via SMS during different time intervals, and timely notify the ticket processor and the principal of the superior organisation. Meanwhile, customer service centres of all financial business subsidiaries are required to establish an internal inspection mechanism to monitor whether tickets meet the criteria for case closure and on the quality of the return visit calls, so as to ensure customer problems are promptly followed up and handled. In addition, CITIC Limited requires all financial business subsidiaries to set up a confidentiality system for customer complaints and reports, so as to strictly protect the privacy and security of customers who filed complaints and prevent any retaliation against them. To improve the quality of their customer services, financial business subsidiaries are also required by CITIC Limited to regularly conduct internal and external training sessions on the security of customer complaints and financial products.

CITIC Bank takes active measures to ensure the smooth feedback of opinions and demands from different customer groups, anytime, anywhere, through various complaint channels. Various customer complaint channels have been established via the 95558 customer service hotline, e-mail, mobile banking app, CITIC Bank enterprise WeChat account, and other mobile terminals. For example, under the 95558 national unified customer service hotline, dedicated special lines have been set up for the elderly, overseas customers, and customers in Hong Kong, Macau and Taiwan, respectively. Meanwhile, the "Complaint Suggestions and Manual Services" function has been advanced to the early stage of the Interactive Voice Response (IVR) process, so that customers can press "8" to directly access a manual operator. The customer service hotline is also equipped with professional customer service personnel to answer calls and record customer complaints on an all-weather basis.

In 2024, CITIC Bank sorted out the complaint handling process of the regulatory channel, improved the complaint labelling system for all businesses across the bank, and implemented the compliant management system featuring fixed posts designated for fixed responsibilities. The phase II online intelligent ticket system and phase III complaint analysis system have also been developed. Responsibility identification has been realised, the processing flow optimised, complaint processing times shortened, and real-time monitoring & analysis of complaints conducted along with traceability rectification in the complaint management system, aiming to effectively improve complaint management efficiency. During the Reporting Period, CITIC Bank accepted and handled 256,486¹ customer complaints across all channels.

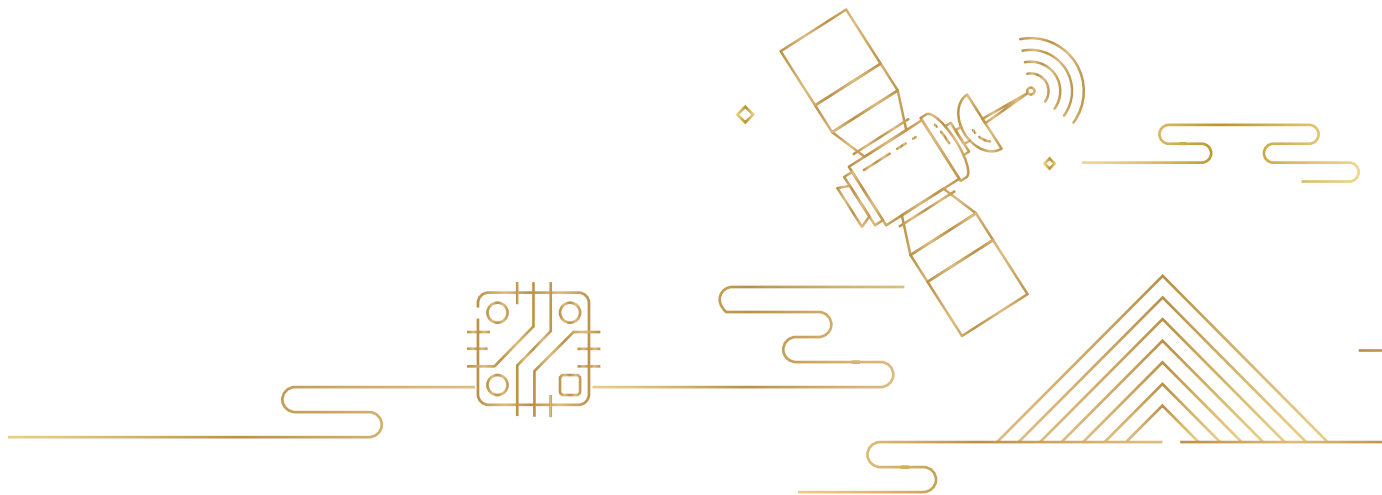


1. This excludes duplicate complaints, as well as complaints about account control, credit reports, billing standards, debt negotiations, etc. received through internal channels of the bank.

04

DRIVING HIGH-QUALITY ECONOMIC DEVELOPMENT THROUGH TECHNOLOGICAL INNOVATION

CITIC always regards technological innovation as the cornerstone of corporate high-quality development, forging core competitiveness through technological advancement and leading the development of new quality productive forces. In 2024, the Company launched its financial sector "Financial Core" Initiative and industrial sector "Industrial Starlink" Initiative, aimed at optimising financial services, maximising functional and comprehensive potential, and solidifying its role as a "ballast stone" for high-quality development. Concurrently, it systematically upgraded traditional industries, expanded emerging sectors, and nurtured future industries, striving to cultivate more ecosystem-leading enterprises and ascend the value chain.



HIGHLIGHTS

- ◇ Increased R&D investment, initiating "Financial Core" Initiative and "Industrial Starlink" Initiative alongside the "Bedrock" action plan to propel innovation-driven growth.

- ◇ Enhanced technology-finance integration, building a "stock-loan-debt-insurance" linkage service system. Established differentiated service models for specialised,

refined and innovative enterprises, serving over **11,000** such enterprises

96 % coverage rate). Maintained market leadership in tech-focused IPO underwriting, strategic emerging industry financing, and innovation bond issuance.

- ◇ The rapid development of industrial technology led to breakthroughs in a number

of major scientific research projects. Achieved **44** prestigious awards in industrial technology, including 2 National Science and Technology Progress Awards (Second Class) for Nanjing Iron & Steel and Tianjin Pipe projects. Additional honours: one Metallurgical Science Special Prize, one China Civil Engineering Zhan Tianyou Award, and ten provincial/ministerial first prizes.

- ◇ Advanced digital transformation: 12 fintech projects from subsidiaries won People's Bank of China FinTech Development Awards, with CITIC Securities and CITIC Bank's industry-specific AI models securing first and second prizes, respectively. Strengthened the digital transformation of industries, promoted the digitalisation of management, industry, and digital capacity building, and improved the effectiveness of production and operation, safety management, quality inspection, etc.

- ◇ Established a special AI task force and released the "CITIC AI+" implementation roadmap to cultivate AI application.



Breakthroughs in Technological Innovation

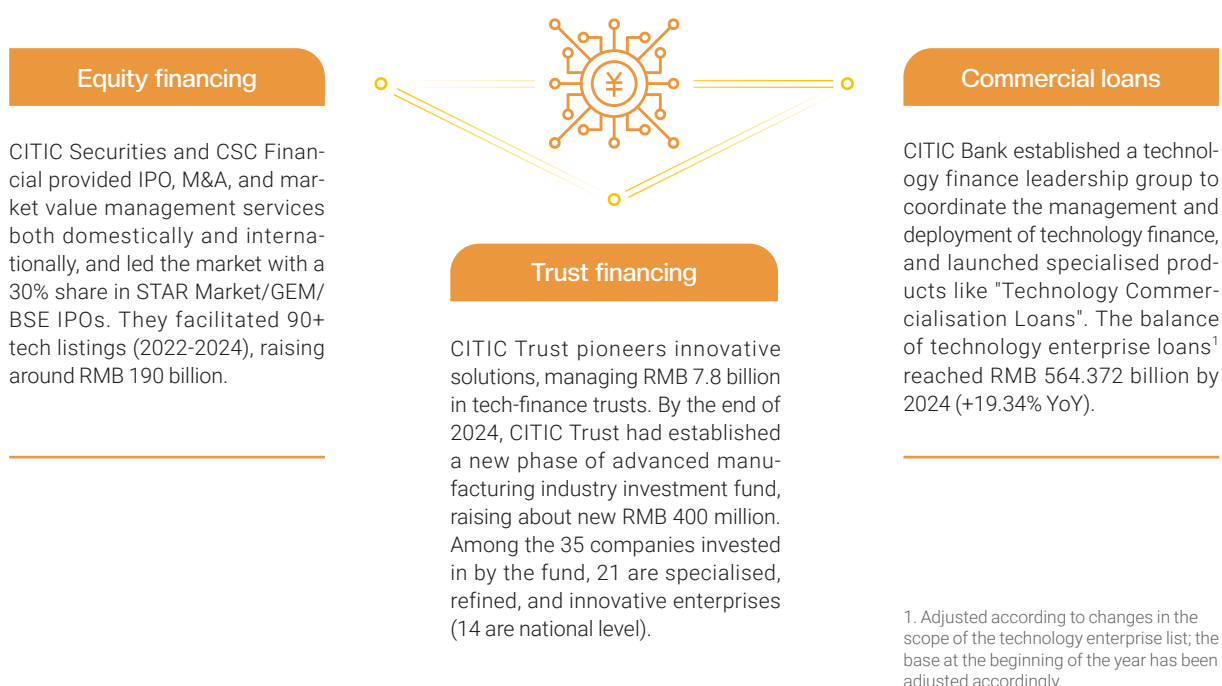
The Company has intensified R&D investment, allocating approximately RMB 25.2 billion in 2024 (up 11% YoY), with a technological investment intensity of 3.3%. It secured 44 major technology awards, including 2 second prizes of the National Science and Technology Progress Award, 1 special prize of the Metallurgical Science and Technology Award, 1 China Civil Engineering Zhan Tianyou Award, and 10 first prizes in provincial, ministerial, and well-known industry science and technology awards. The "Bedrock" initiative established a "2+4+N" cross-border innovation cluster framework, accelerating the development of CITIC's proprietary innovation ecosystem. The Company also actively participated in building national-level R&D platforms, coordinating subsidiary expertise for national key laboratory restructuring.

Strengthening Technology-Finance Capabilities

Technology finance, as an important new form of innovative financial solutions, is a key driving factor in serving technology innovation entities, achieving high-quality economic development, and meeting the funding needs of various industrial technology research and development. The Company is committed to becoming a comprehensive financial services leader by creating a unified financial holding platform, and deepening collaboration between financial businesses, enhancing and optimising its businesses in sub-sectors and the ability to transform and upgrade.

Building a "stock-loan-debt-insurance" Linkage Service System

CITIC Financial Holdings, as an integrated finance platform, has developed a multi-tiered service ecosystem anchored in equity investment with coordinated financing tools. Under the "Synergies between CITIC and Our Clients" principle, it aggregates banking, securities, trust, and insurance resources to deliver diversified, one-stop, comprehensive financial solutions for tech enterprises.



Differentiated Service Model for "Specialised, Refined, and Innovative Enterprises"



The Company had served more than

11,000

of the first five batches of national specialised, refined

and innovative enterprises, with a coverage rate of

96%

The Company regards serving national level "specialised, refined and innovative enterprises" as an important measure to strengthen technology finance. The Company's "CITIC Entrepreneur Office" model integrates commercial banking, investment banking, private wealth, and think tank resources, and provides customers with integrated solutions which cover "full financial licenses, full cycle products, full scenario services" with a focus on customers' multi-dimensional "individual-home-enterprise-society" needs. By the end of 2024, the Company had served more than 11,000 of the first five batches of national specialised, refined, and innovative enterprises, with a coverage rate of 96%. The company ranks first in the market in terms of IPOs of "specialised, refined and innovative" enterprises, strategic emerging equity financing, and technology innovation bond underwriting services.

◆ CITIC Bank

Serving nearly half of the 2023 National Science and Technology Progress Award winners; 8,246 national level "specialised, refined, and innovative" enterprises¹, an increase of 1,640 from the end of last year.

◆ CITIC Securities

CITIC Securities anchors the national strategic key development direction and continues to increase resource investment. In 2024, CITIC Securities led in tech-focused IPOs (RMB 12.7 billion) on the STAR, the ChiNext, and the Beijing Stock Exchange; innovation bond underwriting (RMB 146.7 billion).

◆ CSC Financial

CSC Financial completed 17 equity financing projects for national level "specialised, refined, and innovative" enterprises, with an underwriting amount of RMB8.1 billion, including 9 IPO projects, ranking first; 14 strategic emerging industry financings (RMB 6.5 billion) were completed, including 11 IPO projects, ranking first; underwrote 299 technology innovation company bonds (including asset-backed securities) and science and technology innovation bills, with a lead underwriting amount of RMB 100.4 billion; equity investments in technology enterprises exceeded RMB 2.4 billion.

◆ CITIC Finance

Strengthening the quality and efficiency of scientific and technological financial services, achieving full-service coverage of national level "specialised, refined, and innovative" enterprises within the Company. In 2024, CITIC Finance extended RMB 3.49 billion loans to high-tech manufacturers including Tianjin Pipe, Qingdao Special Steel, and Bohai Aluminium.

1. Adjusted according to lasted list of national level "specialised, refined, and innovative" enterprises; the base at the beginning of the year has been adjusted accordingly.

Empowering Tech Enterprise Growth

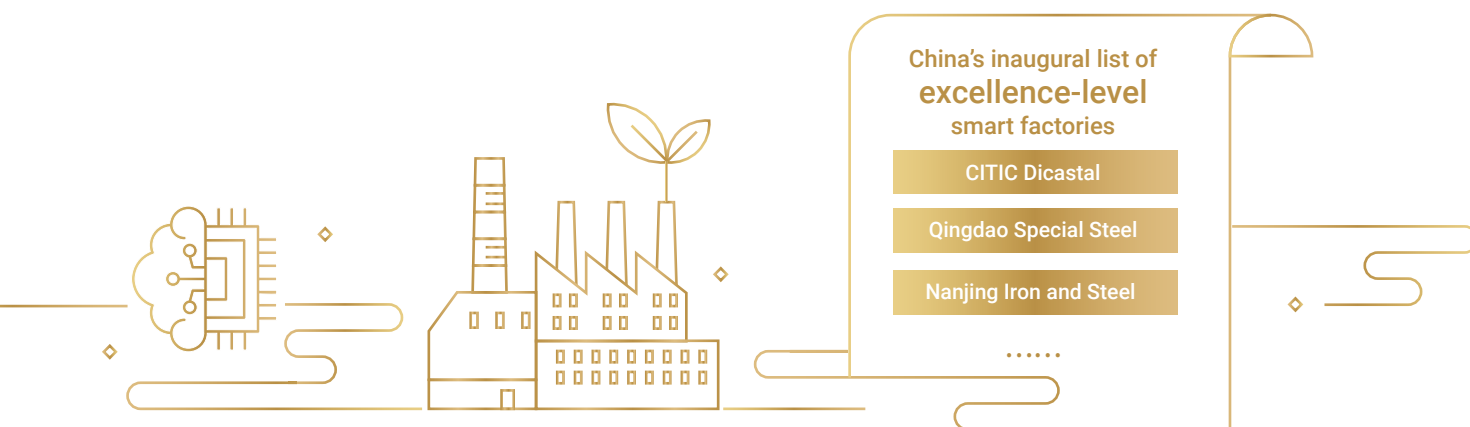
CITIC Financial Holdings leveraged its leading role in coordinating the Company's professional equity investment capabilities. With a focus on advancing technology finance, it initiated the establishment of the CITIC Equity Investment Alliance and collaborating with renowned external investment institutions to jointly build an alliance ecosystem. The alliance prioritises investments in early-stage, small-scale, long-term, and hardcore technology projects, and strengthens cooperation in investment-loan linkage, industrial collaboration, S-funds, and mergers and acquisitions, thereby fostering the cultivation of new productive forces. By the end of 2024, the alliance's assets under management exceeded RMB 300 billion, directly investing in and incubating over 1,000 technology innovation enterprises, many of which have grown into industry leaders.



Launch ceremony for the CITIC Equity Investment Alliance service system

Breakthroughs in Industrial Technology Development

The Company continued to drive technological innovation and transformation in its industrial sectors, achieving breakthroughs in major R&D projects and filling domestic gaps in multiple products, thereby propelling the leapfrog development of related industries. In 2024, CITIC Dicastal, Qingdao Special Steel, and Nanjing Iron and Steel were selected for China's inaugural list of excellence-level smart factories.



CASE

CITIC Heavy Industry innovates to
forge "national key devices"

Aiming to "strengthen traditional industries, expand integrated industries, develop wind power industries, and refine emerging industries," CITIC Heavy Industries intensified innovation-driven strategies. It established a Science and Technology Innovation Committee to enhance top-level decision-making mechanisms and founded research institutes such as the Basic Technology Research Institute, the Applied Technology Research Institute, and the Industrial Technology Research Institute, forming an efficient and well-organised technological innovation system. The company has cultivated a national-level innovation talent team, conducted strategic and forward-looking technical research, and upgraded traditional industries, driving high-quality development. In 2024, the company earned two additional National Manufacturing Champion Enterprise titles for its mine hoists and intelligent explosion-proof robots, while its $\Phi 12.2\text{m}$ large-scale high-efficiency intelligent AG mill and $\Phi 6.96 \times 52\text{m}$ pelletising rotary kiln were recognised as the "World's Best in Heavy Machinery".



Single Champion Product—
Explosion-proof Robots



$\Phi 12.2\text{m}$ Large-scale High-efficiency Intelligent Autogenous Mill

CASE

Qingdao Special Steel - pioneering 2200MPa-grade bridge cable steel technology globally

Construction site of the Nanchang-Jingdezhen-Huangshan High-speed Railway

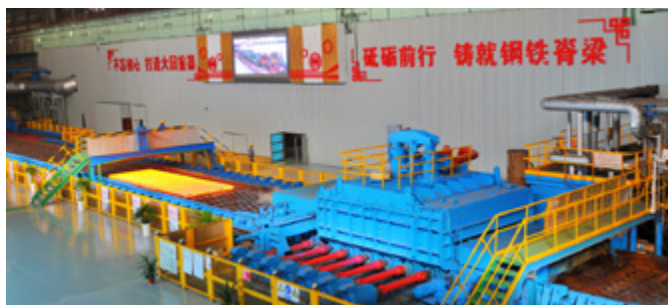
Upholding the innovation philosophy that "special steel is forged through technology" and the mission to "deliver green, intelligent special steel for human civilisation", CITIC Pacific Special Steel deepened independent innovation, enhanced product quality, and optimised service efficacy to build a win-win future of cooperation.

Its subsidiary, Qingdao Special Steel, successfully developed 2200MPa-grade bridge cable steel with world-leading tensile strength, filling the global gap in ultra-high-strength steel applications. Through key technological breakthroughs and process optimisation, the company achieved stable industrial production, ending foreign monopolies and positioning China as a global leader in high-end bridge cable steel markets.

CASE

Nanjing Iron and Steel fills the domestic gap, exclusively supplies steel for China's large cruise ships

Large cruise ships require extreme technical precision in both design and construction, reflecting a country's equipment construction capability and comprehensive technological level. Along with aircraft carriers and large liquefied natural gas (LNG) transport ships, they are known as the three "crown jewels" of the world's shipbuilding industry, representing the "highest level" of modern shipbuilding industry. The construction of cruise ships imposes strict requirements on the thickness, weight, and quality of steel plates. Nanjing Iron and Steel resolved global challenges in wide-thin plate shape and thickness control through innovation, breaking foreign technological barriers. After exclusively supplying steel plates and sections for China's first domestically built large cruise ship in 2023, the company repeated this feat in 2024, underscoring its technical prowess and cementing China's status as the only nation capable of simultaneously constructing aircraft carriers, LNG carriers, and large cruise ships.



Nanjing Iron and Steel's wide and heavy plate production line



Domestically built large cruise ship

CASE

CTM advances Macao's Smart City development, embracing the 5.5G Era

CITIC Telecom International fully supports its subsidiary, CTM (Companhia de Telecomunicações de Macau, S.A.R.L.), in its commitment to the "Digital Macao" smart city development process. In July 2024, CTM launched commercial 5.5G services in Macao, establishing a leading "10Gbps" smart city digital infrastructure and marking Macao's official entry into the 5.5G era, making it one of the first cities globally to offer 5.5G commercial services. This move will drive Macao's digital transformation and smart city development. At the World Internet Conference (WIC) Wuzhen Summit in 2024, CTM received the "WIC Distinguished Contribution Award," becoming one of the first companies in Hong Kong and Macao China to win this award.



CASE

Technological innovation progress by subsidiaries◆ **CITIC Dicastal**

As the world's largest supplier of high-end automotive aluminium components, with 30 global manufacturing bases, CITIC Dicastal established the aluminium wheel industry's first Lighthouse Factory. Its self-developed integrated lightweight aluminium chassis promotes low-carbon, energy-efficient automotive solutions and effectively promotes "replacing steel with aluminium" for automotive chassis components. It was listed in the Ministry of Industry and Information Technology's Industrial Internet Pilot Demonstration Projects and Green Supply Chain Management Enterprises. It also won the China Nonferrous Metals Enterprise Management Innovation Award and saw its Morocco plant recognised as Africa's first Lighthouse Factory.

◆ **CITIC Pacific Special Steel**

CITIC Pacific Special Steel integrates DC arc furnace technology, digital and intelligent systems, as well as advanced industrial mechanism models and artificial intelligence big data technology, and applies them to the production of high-end special steel, achieving the goals of safety, high-end products, production efficiency, and green low-carbon products. After the completion of the project, product quality loss decreased by 46.7%, and 10 national patents were obtained, helping CITIC Pacific Special Steel become the world's first "Lighthouse Factory" in the special steel industry. Its breakthroughs include industrialising high-temperature bearing steel for aircraft engines and the initiation of trials for high-speed rail bearings.

◆ **CITIC Metal Group**

As a leader and promoter of niobium technology in China, CITIC Metal Group is committed to promoting the research and application of niobium containing materials and other advanced materials for carbon reduction. In 2024, its subsidiary, CITIC Metal Holdings, partnered with the Songshan Lake Materials Laboratory and CBMM (Brazil) to establish the Advanced Niobium-based Battery Materials Joint Laboratory, tackling critical material challenges. The group also explored the impact of copper, aluminium, nickel, and platinum on energy transition and low-carbon initiatives.

◆ **CITIC Agriculture**

CITIC Agriculture has built a modern cutting-edge biotechnology intelligent breeding research and development platform that integrates scientific research, breeding, experimentation, exhibition, and service, promoting innovative research and development capabilities in biological breeding. It has also developed a modern seed industry R&D platform integrating biotechnology and smart breeding, leading five national major projects. Seven hybrid rice and three maize varieties ranked among China's top 10 by cultivation area, safeguarding national food security.

Advancing Digital CITIC Development

Under its 14th Five-Year Plan for Digitalisation, the Company prioritised building a digital CITIC, adhering to the principle of "no work without digitalisation." Initiatives include "cloud-based management" and "digital applications," enhancing integrated management systems, industrial digitalisation, and digital infrastructure. A group-wide intelligent management platform and a penetrative management system have been established. At the same time, by promoting competition and empowerment, subsidiaries are encouraged to strengthen innovation and exploration, create demonstration applications, cultivate emerging projects, and form original achievements.

In 2024, the "Navigation Platform" expanded, deploying 17 applications across financial investment, strategic management, talent performance, the administrative office, and general supervision, with an 82% adoption rate. Mobile platforms like "Xin Sui Xing" and cloud-based document systems were rolled out group-wide, covering the headquarters and tier-one subsidiaries, achieving deep integration in areas such as consolidated report management, talent performance management, and audit applications.

Enhancing Digital Finance Capabilities

Promoting the integrated development of financial subsidiaries' digital and intelligent capabilities, the Company continued to unlock the leading value of digital finance, focusing on five key areas: shared services, wealth management, capital management, comprehensive risk management, and smart office solutions. The successful deployment of core functionalities on digital platforms is driving progress in cost reduction, efficiency improvement, and service quality enhancement. Twelve projects won the Fintech Progress Awards sponsored by the People's Bank of China, making CITIC the most-awarded financial institution.

◆ CITIC Financial Holdings

Spearheading the "CITIC Wealth Plaza" integrated service platform that enables clients to access premium products, tailored services, exclusive benefits, and real-time updates from 13 CITIC subsidiaries through a single interface, achieving "one-click access, full connectivity". The platform surpassed 27 million registered users and won the 2024 Asian Banker "Best Wealth Management Platform Implementation in China" award.

◆ CITIC Bank

The Cangjie Large Model Platform was established, deploying AI across wealth management, customer services, marketing, investment advisory, and compliance. It unifies large model service management, large model application, application programming interfaces (APIs), and security reviews group-wide. The platform was named "Best AI Implementation Project" by The Asian Banker (2024) and recognised as an "Outstanding Large Model Application Case" by the China Academy of Information and Communications Technology.

◆ CITIC Securities

Launched the "AI+" Platform, leveraging large models to drive intelligent, automated, and efficient securities services. Its proprietary model won the First Prize in the People's Bank of China's Fintech Progress Awards. The "Xin E Tou" app integrates big data and AI algorithms to create a smart online operating system, streamlining processes into a "One-stop Mobile Business Hub".

◆ CSC Financial

Developed the "Octopus" Fixed-Income Intelligent Platform, covering all business types and full lifecycle management of bonds. Utilising deep learning and RAG (Retrieval-Augmented Generation) technologies, it introduces Smart Parsing Engines, Smart Recommendation Engines, and ChatBond, a bond-specific large model, enhancing services for internal operations and external institutional investors. The project won second prize in the People's Bank of China's Fintech Progress Awards.

Strengthening Digital Transformation in Industrial Companies

The Company's affiliated industrial companies vigorously promote digital transformation to elevate the digitalisation of operations, safety management, quality control, improved production efficiency, and product quality, and boost the high-quality development of enterprises, with multiple factories leading industry-wide digitalisation and excelling in national competitions.

CASE

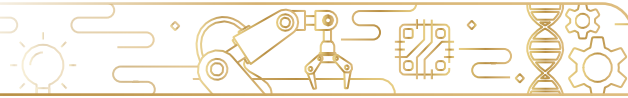
CITIC Heavy Industries promotes digital safety production

CITIC Heavy Industries implemented the requirements of digital transformation and development, effectively utilising digital technology to empower safety risk prevention and control. It selected and digitised core safety processes such as hazardous operations visualisation dashboards, specialised personnel management, online safety training, dual-prevention information platforms, and stakeholder management. This has achieved a "deep integration" with its existing safety management system, effectively ensuring the continuous stability of safety production.



■ CITIC Heavy Industries' Digital Production Safety Management Platform

CASE

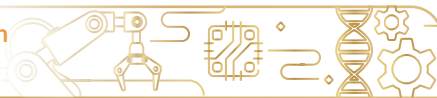
Xingcheng Special Steel's "Lighthouse Factory" Smart Centre

As a leading enterprise in China's special steel industry and the first "lighthouse factory" in the global special steel sector, Xingcheng Special Steel pioneered digital transformation over two decades ago. It has won honours such as being part of the first batch of national green manufacturing demonstration enterprises and Jiangsu Province intelligent manufacturing demonstration factories, providing a new model of intelligent manufacturing for exploring high-quality development. Its Smart Centre, the industry's first fully digitised and intelligent comprehensive operations centre, integrates blast furnace control and smart smelting technologies, achieving unparalleled coordination in pre-iron making centralised control with the most advanced control technologies and leanest staffing configurations in China.



Xingcheng Special Steel's "Lighthouse Factory" Smart Centre

CASE

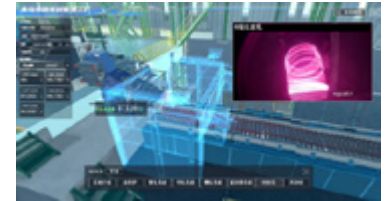
Nanjing Iron and Steel's Steel Industry Chain Collaborative Platform won second place in 2024 National "Data Element X" Competition

Nanjing Iron and Steel's Data-Driven Steel Industry Chain Collaborative Platform addressed industry pain points—such as production alignment challenges, inflexible manufacturing, and high trust costs—by enabling secure data sharing, agile production, and supply chain finance. Overall industry chain costs were reduced by over 3%, earning second place in the Industrial Manufacturing Track at the 2024 National "Data Elements X" Competition co-hosted by the National Data Administration and 14 other ministries.

CASE

**Qingdao Special Steel's full-process
digital transformation boosts efficiency**

Qingdao Special Steel advanced its "Five Smart Factories" initiative (smart coking, iron-making, steelmaking, section steel, and wire rod production), establishing centralised intelligent controls and a unified data infrastructure to accelerate the digital transformation.



Qingdao Special Steel's high-speed premium steel wire rod smart factory

In December 2024, its "High-Speed Premium Steel Wire Rod Smart Factory" was listed in the first batch of national excellence-level smart factories released by Ministry of Industry and Information Technology. The Qingdao Special Steel's High Speed Premium Steel Wire Rod Smart Factory achieved a high degree of intelligence, informatisation, and less manpower in the entire production line, resulting in overall reduction of staff and costs, increased production and efficiency, and improved economic indicators, providing valuable experience for the digital transformation of the steel industry.

Digital Intelligence Empowers Enterprise Growth

◆ CITIC Pacific Energy

Focusing on traditional thermal power and new energy generation sectors, CITIC Pacific Energy has deepened research into the digital and intelligent transformation of green low-carbon technologies. It has independently developed a Digital Energy-Carbon Management Platform for Coal-Fired Power Plants to provide digital support for the green and low-carbon upgrading of traditional thermal power. Additionally, the company has pioneered an AI-based Power Prediction Algorithm Model for Photovoltaic Power Stations, enabling accurate forecasting of power generation capacity and output. These digital and intelligent innovations are accelerating the green and low-carbon transformation of energy enterprises.

◆ CITIC Dicastal

By innovatively adopting automated design platforms and integrated design tools, CITIC Dicastal has reduced energy consumption during the design process. Simultaneously, it has enhanced wheel casting performance through multi-gate casting processes, achieving lightweight wheel designs that lower end-user fuel and electricity consumption while reducing carbon dioxide emissions.

◆ CITIC Heavy Industry

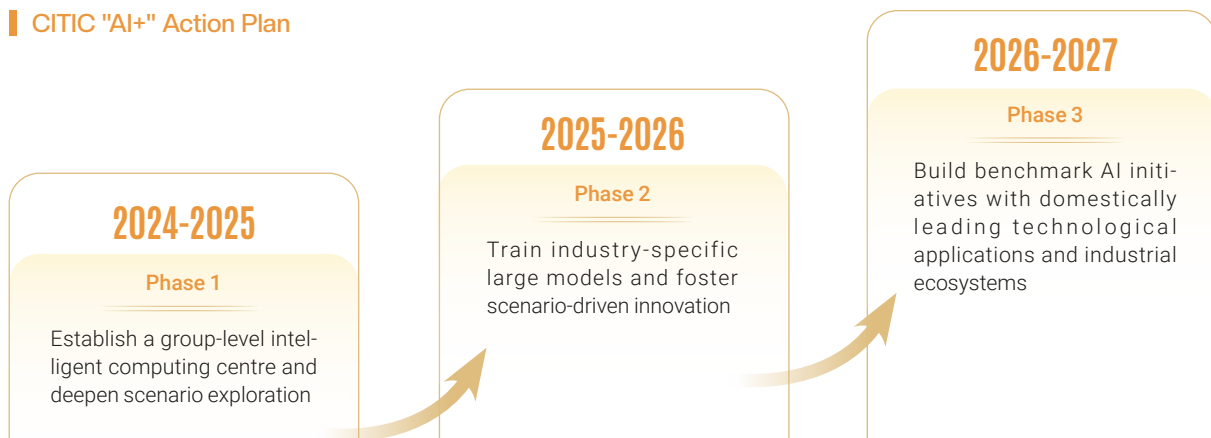
The company invested in building an "Internet+" Energy Management and Control Centre Platform, leveraging network and big data analysis technologies to significantly improve energy management capabilities. The platform enables precise monitoring of corporate energy consumption, identifies energy-saving potential, and implements effective cost analysis and control for energy usage.

Cultivating Artificial Intelligence Applications

Leveraging its unique advantages in diversified business sectors, rich application scenarios, and abundant data resources, the Company adheres to the principles of "long-term orientation, benchmarking global leaders, collaborative sharing, and targeted breakthroughs". Centred on the deep integration of AI with industrial operations, it has coordinated foundational capacity building, strengthened scenario-driven applications, refined organisational support mechanisms, and established a high-calibre collaborative system closely aligned with innovation and industrial chains, comprehensively advancing intelligent upgrades to support its vision of becoming a world-class enterprise.

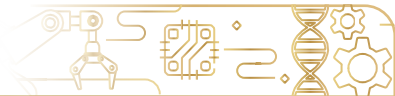
In 2024, the Company formed an AI Task Force with more than 120 members and launched the CITIC "AI+" Action Plan, aiming to achieve a new paradigm of "ample computing power, industry-leading models, efficient data governance, and clustered innovation ecosystems" for AI-industrial integration by 2027.

CITIC "AI+" Action Plan



CASE

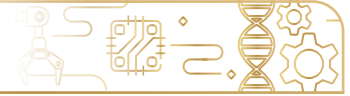
Participation in the 2024 World Artificial Intelligence Conference – collaborative exploration of an intelligent future



The 2024 World Artificial Intelligence Conference exhibition was held at the Shanghai World Expo Exhibition Hall. Under the theme "Smart CITIC – Co-Creating New Possibilities", the company, together with 21 subsidiaries, showcased cutting-edge practices and the latest achievements in the "Application Empowerment" thematic zone, highlighting the deep integration of artificial intelligence and industrial development. The exhibition featured eight display areas: AI+Integrated Finance, AI+Global Manufacturing, AI+Low-Altitude Economy, AI+Agricultural Breeding, and others. Interactive exhibits included bond-specific large model applications, a sandbox model of the world's first "Lighthouse Factory" in the special steel industry, electric autonomous manned aircraft, robots for complex surface defect detection, smart safety helmets, liquid-phase bio-breeding chips, humanoid and quadruped robots, domestically developed GPU chips, and intelligent ultrasonic machines, attracting widespread attention from all sectors of society.



CASE

CITIC Dicastal's industrial internet platform
selected for the WAIC SAIL Award TOP30 List

CITIC Dicastal addressed industry challenges such as increasing demand for personalised automotive wheel hubs by developing an industrial internet intelligent manufacturing collaborative platform, focusing on objectives including full-factor digital lean management, closed-loop quality optimisation, and flexible manufacturing. In regard to quality inspection, the platform's AI-driven X-ray defect recognition system enhanced casting defect identification accuracy by 140%, replacing over 90% of manual visual inspections. For die-casting process optimisation, machine operators saved 4.6 hours daily, with anomaly resolution efficiency improving by 40%. Leveraging extensive R&D, testing, and process data, the platform enables intelligent production analytics, yielding significant improvements in quality enhancement, safety, and energy efficiency. This platform earned CITIC Dicastal a spot on the 2024 World Artificial Intelligence Conference SAIL Award (Superior AI Leader) TOP30 List.

CITIC Dicastal's Industrial Internet Intelligent Manufacturing Collaborative Platform

X-ray non-destructive
testing AI recognition
systemIntelligent self-
adjustment system
for die-castingIntelligent efficiency
improvement for
machiningAccurate traceability
of quality throughout
the entire processDigital lean
manufacturing
collaborative system

Thermal cloud

Machining cloud

Painting cloud



Proactive Advancement of "Financial Core" Initiative and "Industrial Starlink" Initiative



"Financial Core" Initiative

To enhance the comprehensive financial services segment and improve the operational efficiency of its subsidiaries, CITIC Limited is focused on empowering its subsidiaries by leveraging the collective strengths of the entire group to strengthen one-stop comprehensive financial services and drive the implementation of "Financial Core" initiative.

Objectives of the "Financial Core" Initiative

CITIC Limited utilises the full range of its financial licences to establish a competitive edge over industry peers by providing integrated financial services. CITIC Limited capitalises on the synergy between industrial and financial segments, utilising the value of the financial control platform to empower subsidiaries, build aggregated strengths and enhance core competitiveness.



Optimising various business sectors

By leveraging its unique synergies between industrial and financial businesses, along with the value of its financial control platform, CITIC Limited enhances support for its financial subsidiaries, focuses on their core businesses, and drives improvements across key sectors, including banking, securities, trusts, insurance, and financial leasing.

CITIC Limited directs its financial subsidiaries to closely monitor macroeconomic trends, industry developments and their own strengths and weaknesses. Each subsidiary should have a clear understanding of its development goals, transformation strategies and focal areas. By enhancing internal capabilities, expanding external resources and promoting collaborative integration, the subsidiaries aim to achieve benchmarks aligned with leading global or domestic standards. This approach strengthens competitive advantages in core business areas and improves overall operational efficiency.

Strengthening the one-stop comprehensive financial service system

Leveraging the advantages of a full financial licence, CITIC Limited aims to develop a comprehensive financial service model that synergises equity, loan, debt and insurance, supplemented by trust services, financial rescue, leasing solutions and other offerings. This model provides clients with one-stop comprehensive financial solutions that span the entire lifecycle, both domestically and internationally, thereby enhancing the differentiated competitive advantages of its subsidiaries and strengthening their support for the real economy.

By maximising the value of its financial holding platform, CITIC Limited focuses on enhancing five core competencies "capital management empowerment, comprehensive financial services, risk prevention and resolution, financial technology integration, and efficiency of capital market management". This holistic approach will provide robust support for the operational management of its subsidiaries.

Adopting a client-centric strategy, CITIC Limited is integrating and developing six key ecosystems "technology-driven enterprises, major clients, government-enterprise collaboration, cross-border expansion, wealth management centres and collaborative risk management." This initiative will expedite the implementation of comprehensive financial services.



"Industrial Starlink" Initiative

In 2024, CITIC Limited actively advances the "Industrial Starlink" initiative within its non-financial business segment, focusing on developing new quality productivity. Through three key actions—"Star Renewal," "Star Creation," and "Star Exploration"—the company aims to upgrade traditional industries, strengthen strategic emerging sectors, and nurture future industries, ultimately establishing more industry-leading enterprises. This initiative will drive non-financial businesses toward high-end, intelligent, and green transformations. Additionally, it will promote the seamless integration of innovation, industrial, capital, and talent chains, steadily advancing towards the mid-to-high end of the value chain.



"Star Renewal" Initiative

CITIC Limited aims to cultivate champion businesses and develop specialised operations, establishing a number of first-class and leading enterprises and benchmark projects, so that more subsidiaries become "shining stars" in their industries. The company is committed to optimising resource allocation, focusing on key business areas, and reinforcing the leading position of its core operations. It further promotes the integration of technological and new industrial innovations, enhance overall technological innovation effectiveness, and expedite the creation of high-performance innovation platforms while nurturing a team of exceptional talent in technology. Additionally, CITIC Limited continues to adjust its business structure, concentrate on core responsibilities and main operations, streamline its processes, and exit businesses that lack competitive advantages and growth potential. The freed-up resources are redirected to areas that create greater value, possess stronger core competitiveness, and offer better development prospects.

"Star Creation" and "Star Exploration" Initiatives

CITIC Limited focuses on the development trends of cutting-edge technologies, key common technologies, and disruptive innovations. The company actively promotes the "Star Creation" and "Star Exploration" initiatives to enhance the scale of strategic emerging businesses and increase their technological capabilities. The "Star Creation" initiative focuses on identifying high-quality enterprises characterised by advanced technologies, strong growth potential, and significant barriers to entry, thereby reinforcing the supply chain and incubating "growth stars." Meanwhile, the "Star Exploration" initiative aims to bolster forward-looking research, aligning with future industry trends and evolving business models to cultivate "future stars." In terms of industry focus, CITIC Limited prioritises investment opportunities in areas including next-generation information technology, renewable energy, artificial intelligence, embodied intelligence, future equipment, advanced materials and future energy. Throughout the implementation process, CITIC Limited leverages its integrated financial and non-financial operational strengths, optimising mechanisms to create synergy across industry research, target selection, execution, and post-investment management.

Appendix

Compilation of Key ESG Performance

Materiality Analysis

In the light of the UN Sustainable Development Goals (SDGs), internationally comparable standards on sustainable development reports, corporate social responsibilities and ESG practices, we determine our major stakeholders. To ensure that we have a sound understanding of stakeholders' concerns and expectations, and translate them into impetus for progress, we regularly study key ESG issues, investigate relevant stakeholders, and engage in materiality analyses to ensure that we adequately follow up on and respond to the main concerns of stakeholders.

Governance Issues

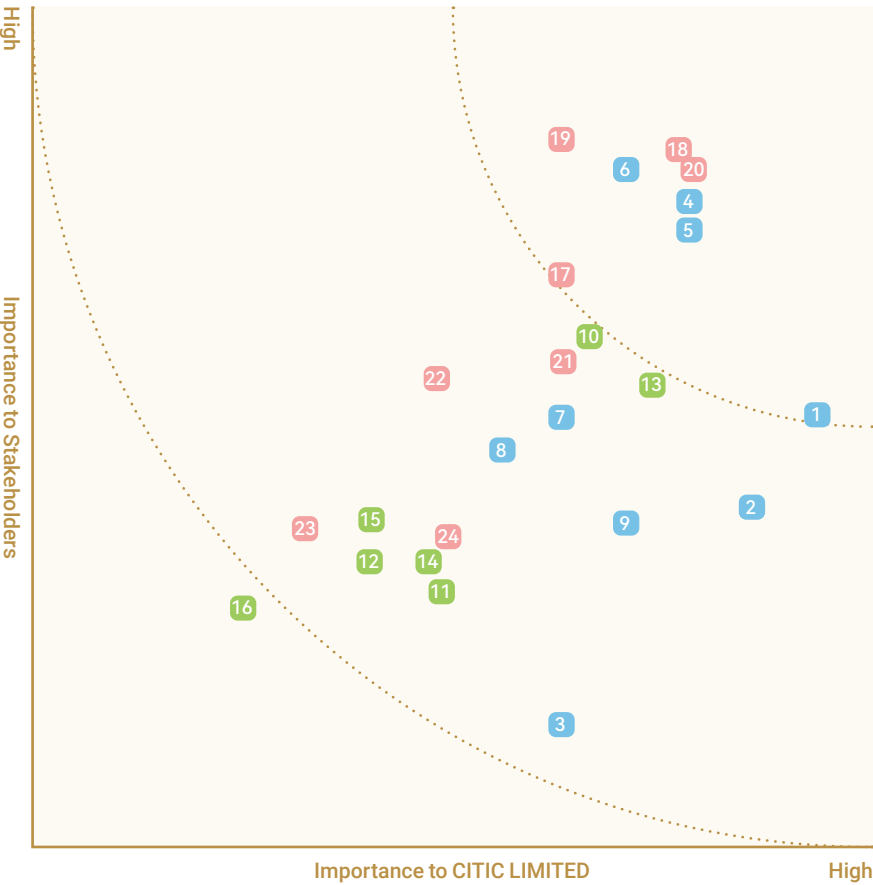
- 1 Aligning with national strategies
- 2 Optimisation of governance structure
- 3 Stakeholder engagement
- 4 Integrity and business ethics
- 5 Comprehensive risk management
- 6 Privacy and information security
- 7 Sci-tech innovation and digitisation
- 8 Responsible supply chains
- 9 Guiding effect for industry development

Environmental Issues

- 10 Tackling climate change
- 11 Green transformation and innovation
- 12 Green business development
- 13 Sustainable finance
- 14 Energy conservation and emission reduction
- 15 Resource recycling and utilisation
- 16 Biodiversity conservation

Social Issues

- 17 Protection of consumer rights and interests
- 18 Product and service quality
- 19 Protection of employee rights and interests
- 20 Occupational health and safety
- 21 Recruiting and retaining talent
- 22 Training and career development
- 23 Community engagement and contributions
- 24 Support for rural revitalisation



Communication with Stakeholders

CITIC Limited places emphasis on shareholder expectations and appeals, and therefore works hard to expand communication channels with stakeholders in all aspects of daily operations. Furthermore, we have established a regular multi-form and multidimensional communication mechanism with stakeholders, listen attentively to their opinions and feedback, and respond proactively to stakeholder concerns, with a view to effectively communicating with stakeholders and fostering a stable and harmonious relationship with them.

Stakeholders	Matters of concern	Means of communication
 Government and regulatory agencies	◆ Support for national strategies ◆ Data privacy and security ◆ Quality of products and services ◆ Protection of employee rights ◆ Integrity and business ethics	◆ Routine communication and reporting ◆ Project review and supervision ◆ Cooperation on major projects
 Shareholders/investors	◆ Quality of products and services ◆ Occupational health and safety ◆ Integrity and business ethics ◆ Comprehensive risk management ◆ Training and career development	◆ Routine and ad hoc reporting ◆ Annual General Meetings ◆ Investor surveys ◆ Results briefings
 Clients	◆ Data privacy and security ◆ Comprehensive risk management ◆ Integrity and business ethics ◆ Quality of products and services ◆ Protection of employee rights	◆ Routine service updates ◆ Customer satisfaction surveys ◆ Handling of customer complaints ◆ Customer service hotline ◆ Website, WeChat official account, etc.
 Employees	◆ Occupational health and safety ◆ Protection of employee rights ◆ Integrity and business ethics ◆ Talent acquisition and retention ◆ Training and career development	◆ Performance updates ◆ Routine training ◆ Culture-building activities ◆ Website, WeChat official account, etc.
 Industry and trade associations	◆ Integrity and business ethics ◆ Data privacy and security ◆ Protection of employee rights ◆ Occupational health and safety ◆ Comprehensive risk management	◆ Routine communication and reporting ◆ Field research and visits ◆ Industry-level exchanges
 Suppliers and service providers	◆ Responsible supply chain ◆ Stakeholder engagement ◆ Climate action ◆ Development of green business ◆ Quality of products and services	◆ Supplier review and assessment ◆ Supplier meetings ◆ Routine communication and cooperation ◆ Supplier surveys and visits
 Non-profits, charities, and community-based organisations	◆ Community engagement ◆ Biodiversity conservation ◆ Climate action ◆ Support for rural revitalisation ◆ Training and career development	◆ Philanthropic activities ◆ Field research and visits ◆ Community engagement activities ◆ Media outreach

Environmental Performance

Unless otherwise specified, the statistical scope of environmental performance results in this section covers the main operating locations of the headquarters and subsidiaries in the Chinese mainland, Hong Kong, Macau, and Taiwan. Additional operating locations will be included in the statistical scope in the future.¹

Headquarter	Indicators		2023	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)		0.01	0.01
	Sulphur dioxide (SO ₂) emissions (tonnes)		0.0008	0.0009
GREENHOUSE GASES	Total greenhouse gas emissions (Scope 1 and Scope 2) (tonnes)		1,541.29	1,602.54
	Per capita greenhouse gas emissions from headquarters (tonnes/person)		3.13	3.28
	Direct greenhouse gas emissions (Scope 1) (tonnes)		118.40	135.23
	--- Gasoline		118.40	135.23
	Indirect greenhouse gas emissions (Scope 2) (tonnes)		1,422.89	1,467.30
	--- Purchased electricity		1,422.89	1,467.30
WASTE	Total amount of hazardous waste (tonnes)		0.28	0.23
	Per capita hazardous waste emissions from headquarters (tonnes/person)		0.0006	0.0005
	Total amount of non-hazardous waste (tonnes)		258.79	265.88
	Per capita non-hazardous waste emissions from headquarters (tonnes/person)		0.52	0.54
ENERGY CONSUMPTION	Total energy consumption (MWh)		2,978.49	3,125.12
	Per capita energy consumption from headquarters (MWh/person)		6.04	6.39
	Direct energy consumption (MWh)		483.51	552.25
	--- Gasoline		483.51	552.25
	Indirect energy consumption (MWh)		2,494.98	2,572.86
	--- Purchased electricity		2,494.98	2,572.86
	Electricity consumption per capita at headquarters (MWh/person)		5.06	5.26
	Gasoline consumption per capita at headquarters (Litre/person)		112.93	130.04
RESOURCE CONSUMPTION	Total water consumption (m ³)		23,227.00	25,785.00
	Water consumption per capita at headquarters (m ³ /person)		47.11	52.73
	Total paper consumption at headquarters (tonnes)		17.75	12.91

1. The GHG inventory includes carbon dioxide, methane and nitrous oxide. Greenhouse gas emission is presented as carbon dioxide equivalent. It is mainly calculated according to IPCC Guidelines for National Greenhouse Gas Inventories (2006, 2019 Edition), the IPCC Sixth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC), National standard of the People's Republic of China General Principles for Calculation of Total Energy Consumption (GB/T 2589-2020), the Announcement on the Release of 2022 Power Sector CO₂ Emission Factors released by the Ministry of Ecology and Environment and the National Bureau of Statistics (NBS), carbon intensity data from HK Electric Investments Sustainability Report 2023, carbon intensity data from CLP Holdings Limited 2023 Sustainability Report, and Requirements for Carbon Dioxide Emission Accounting and Reporting issued by the Beijing Municipal Administration for Market Regulation.

The energy consumption data is mainly calculated according to the consumption of electricity and fuel and the relevant conversion factors provided in National standard of the People's Republic of China General Principles for Calculation of Total Energy Consumption (GB/T 2589-2020).

Comprehensive
Financial
Services²

Indicators		2023 ³	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)	0.37	0.65
	Sulphur dioxide (SO ₂) emissions (tonnes)	0.03	0.02
GREENHOUSE GASES	Total greenhouse gas emissions (Scope 1 and Scope 2) (tonnes)	218,974.53	229,437.21
	Greenhouse gas emissions per RMB100 million of revenue (tonnes/RMB100 million)	81.69	82.10
	Direct greenhouse gas emissions (Scope 1) (tonnes)	11,905.77	7,890.61
	-- Gasoline	6,796.18	2,924.04
	-- Diesel	5.04	321.34
	-- Coal gas	-	-
	-- Liquefied petroleum gas	61.98	29.62
	-- Natural gas	5,042.57	4,615.61
	Indirect greenhouse gas emissions (Scope 2) (tonnes)	207,068.76	221,546.59
	-- Purchased electricity	207,068.76	221,546.59
WASTE	Hazardous waste total (tonnes) (tonnes/RMB100 million)	66.32	136.76
	Hazardous waste per RMB100 million of revenue	0.02	0.05
	Non-hazardous waste total (tonnes)	1,360.45	1,869.51
	Non-hazardous waste per RMB100 million of revenue (tonnes/RMB100 million)	0.51	0.67
ENERGY CONSUMPTION	Total energy consumption (MWh)	416,544.56	426,535.14
	Energy consumption per RMB100 million of revenue (MWh/RMB100 million)	155.40	152.62
	Direct energy consumption (MWh)	53,840.18	36,901.80
	-- Gasoline	27,753.49	11,940.87
	-- Diesel	19.19	1,222.78
	-- Coal gas	-	-
	-- Liquefied petroleum gas	279.40	133.55
	-- Natural gas	25,788.10	23,604.60
	Indirect energy consumption (MWh)	362,704.38	389,633.33
	-- Purchased electricity	362,704.38	389,633.33
ENERGY CONSUMPTION	Total water consumption (m ³)	2,075,358.40	1,967,599.28
	Water consumption per RMB100 million of revenue (m ³ /RMB100 million)	774.25	704.05
	Paper consumption at headquarters (tonnes)	1,397.34	1,661.18

2. In addition to related subsidiaries, the statistical scope of this section also includes CSC Financial Co., Ltd. and CITIC-Prudential Life Insurance Co., Ltd.

3. In 2024, China CITIC Bank engaged a third-party professional institution to comprehensively review environmental-related historical data from over 1,500 organizations. To unify the scope of data statistics, adjustments were made to the greenhouse gas emissions, energy consumption, water usage, and waste data for the years 2022 and 2023. As a result, the 2023 data in this report has been synchronized with the adjusted data from China CITIC Bank.

Advanced
Intelligent
Manufacturing

Indicators		2023	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)	123.33	133.41
	Sulphur dioxide (SO ₂) emissions (tonnes)	16.61	16.08
	Particulate matter emissions (tonnes)	82.66	79.61
WASTE WATER	Chemical oxygen demand (COD) emissions (tonnes)	93.07	89.87
	Ammonia nitrogen emissions (tonnes)	5.55	5.48
	Total phosphorus emissions (tonnes)	1.17	1.11
	Wastewater discharge (m ³)	659,061.00	615,543.85
GREENHOUSE GASES	Total GHG emissions (Scope 1 and 2) (tonnes)	702,807.33	708,237.32
	GHG emissions per 100 million RMB of income (tonnes / 100 million RMB)	1,393.52	1,394.36
	Direct GHG emissions (Scope 1) (tonnes)	260,466.32	245,571.32
	— Gasoline	598.83	544.69
	— Diesel	1,392.06	498.74
	— Liquefied petroleum gas	45.36	24.50
	— Natural gas	258,430.08	244,503.39
	Indirect GHG emissions (Scope 2) (tonnes)	442,341.00	462,665.99
	— Purchased electricity	423,356.87	443,709.54
	— Purchased steam	18,984.13	18,956.45
WASTE	Total hazardous waste (tonnes)	13,351.91	475.99
	Total hazardous waste per 100 million RMB of income (tonnes / 100 million RMB)	26.47	0.94
	Total non-hazardous waste (tonnes)	22,053.04	41,609.42
	Total non-hazardous waste per 100 million RMB of income (ton/100 million RMB)	43.73	81.92
ENERGY USE	Total energy consumption (MWh)	2,119,859.19	2,080,540.34
	Energy consumption per 100 million RMB of income (MWh/100 million RMB)	4,203.23	4,096.12
	Direct energy consumption (MWh)	1,329,578.82	1,254,642.21
	— Gasoline	2,445.42	2,224.33
	— Diesel	5,297.16	1,897.85
	— Liquefied petroleum gas	204.48	110.45
	— Natural gas	1,321,631.75	1,250,409.58
	Indirect GHG emissions (Scope 2) (tonnes)	790,280.37	825,898.13
	— Purchased electricity	742,340.65	778,028.30
	— Purchased steam	47,939.72	47,869.83

Indicators		2023	2024
USE OF RESOURCES	Total water consumption (m ³)	2,720,456.68	2,885,499.56
	Water consumption per 100 million RMB of income (m ³ /100 million RMB)	5,394.09	5,680.90
	Total paper consumption (tonnes)	45.68	41.25
PACKAGING MATERIAL	Total packaging material used for finished goods (tonnes)	18,462.46	22,126.63
	Amount of packaging material used per 100 million RMB of income (tonnes/100 million RMB)	36.61	43.56

Advanced Materials⁴

Indicators		2023	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)	8,322.57	11,116.60
	Sulphur dioxide (SO ₂) emissions (tonnes)	3,588.63	4,817.89
	Particulate matter emissions (tonnes)	6,340.12	8,780.91
WASTE WATER	Chemical oxygen demand (COD) emissions (tonnes)	628.52	635.57
	Ammonia nitrogen emissions (tonnes)	44.19	28.27
	Total phosphorus emissions (tonnes)	3.11	1.76
	Wastewater discharge (m ³)	11,326,393.85	26,244,475.77
GREENHOUSE GASES	Total greenhouse gas emissions (Scope 1 and Scope 2) (tonnes)	50,923,049.50	63,003,402.78
	Greenhouse gas emissions per RMB100 million of revenue (tonnes/RMB100 million)	19,035.73	19,349.05
	Direct greenhouse gas emissions (Scope 1) (tonnes)	48,606,355.24	58,046,104.46
	--- Gasoline	2,157.07	1,706.95
	--- Diesel	19,003.72	17,060.44
	--- Liquefied petroleum gas	53,212.06	26,808.40
	--- Natural gas	796,492.98	643,826.81
	--- Coke	3,521,498.96	13,753,503.76
	--- Coal	42,072,928.10	41,738,700.46
	--- Intermediate process emissions	2,141,062.36	1,864,497.64
	Indirect greenhouse gas emissions (Scope 2) (tonnes)	4,089,486.12	6,407,611.16
	--- Purchased electricity	3,937,787.40	6,302,011.30
	--- Purchased steam	151,698.72	105,599.86
	Implicit emissions of carbon sequestration product (deductible) (tonnes)	(1,772,791.86)	(1,450,312.84)

4. As subsidiaries such as Nanjing Iron and Steel Co., Ltd. in the Advanced Materials sector were included in the consolidation scope at the end of last year, some environmental indicators of this sector in 2024 changed significantly compared with the previous year.

Indicators		2023	2024
WASTE	Hazardous waste total (tonnes)	43,758.30	3,577.54
	Hazardous waste per RMB100 million of revenue (tonnes/RMB100 million)	16.36	1.10
	Non-hazardous waste total (tonnes)	2,696,557.64	18,496,090.08
	Non-hazardous waste per RMB100 million of revenue (tonnes/RMB100 million)	1,008.01	5,680.36
ENERGY CONSUMPTION	Total energy consumption (MWh)	161,144,024.62	185,911,652.00
	Energy consumption per RMB100 million of revenue (MWh/RMB100 million)	60,237.82	57,095.54
	Direct energy consumption (MWh)	148,055,654.47	173,946,356.59
	— Gasoline	8,808.78	6,970.66
	— Diesel	72,314.35	64,919.65
	— Liquefied petroleum gas	239,889.92	120,857.27
	— Natural gas	4,073,327.74	3,292,580.94
	— Coke	9,724,083.26	37,978,206.78
	— Coal	133,937,230.41	132,482,821.28
	Indirect energy consumption (MWh)	13,088,370.15	11,965,295.41
	— Purchased electricity	6,904,751.55	11,050,339.90
	— Renewable energy electricity	5,800,541.02	648,289.19
	— Purchased steam	383,077.58	266,666.31
	Total water consumption (m ³)	60,158,521.88	62,522,219.94
RESOURCE CONSUMPTION	Water consumption per RMB100 million of revenue (m ³ /RMB100 million)	22,488.07	19,201.27
PACKAGING MATERIALS	Total paper consumption (tonnes)	169.64	254.83
	Total packaging materials used for finished products (tonnes)	11,763.80	6,210.18
	Packaging materials used per RMB100 million of revenue (tonnes/RMB100 million)	4.40	1.91

New Consumption

Indicators		2023	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)	2.75	6.07
	Sulphur dioxide (SO ₂) emissions (tonnes)	0.03	0.03
GREENHOUSE GASES	Total greenhouse gas emissions (Scope 1 and Scope 2)(tonnes)	96,499.10	91,380.23
	Greenhouse gas emissions per RMB100 million of revenue (tonnes/RMB)	187.66	183.23
	Direct greenhouse gas emissions (Scope 1) (tonnes)	4,812.47	4,773.95
	— Gasoline	1,954.39	1,837.72
	— Diesel	2,834.00	2,889.72

Indicators		2023	2024
GREENHOUSE GASES	-- Coal gas	1.97	22.90
	-- Natural gas	22.10	23.62
	Indirect greenhouse gas emissions (Scope 2) (tonnes)	91,686.63	86,606.28
	-- Purchased electricity	91,686.63	86,606.28
WASTE	Hazardous waste generation (tonnes)	580.76	600.36
	Hazardous waste generation per RMB100 million of revenue (tonnes/RMB)	1.13	1.20
	Non-hazardous waste generation (tonnes)	1,147.46	1,021.31
	Non-hazardous waste generation per RMB100 million of revenue(tonnes/RMB)	2.23	2.05
ENERGY CONSUMPTION	Total energy consumption (MWh)	172,014.25	189,061.75
	Energy consumption per RMB100 million of revenue (MWh/RMB)	334.51	379.09
	Direct energy consumption (MWh)	18,893.02	18,792.08
	-- Gasoline	7,981.14	7,504.68
	-- Diesel	10,784.16	10,996.17
	-- Coal gas	14.69	170.45
	-- Natural gas	113.03	120.79
	Indirect energy consumption (MWh)	153,121.23	170,269.67
	-- Purchased electricity	153,121.23	170,269.67
RESOURCE CONSUMPTION	Total water consumption (m ³)	1,781,716.50	1,697,148.52
	Water consumption per RMB100 million of revenue (m ³ /RMB)	3,464.87	3,403.01
	Total paper consumption (tonnes)	6,887.32	449.34
PACKAGING MATERIALS	Total packaging materials used for finished products (tonnes)	4,909.27	5,903.33
	Packaging materials used per RMB100 million of revenue (tonnes/RMB100 million)	9.55	11.84

New-type Urbanisation

Indicators		2023	2024
WASTE GAS	Nitrogen oxide (NO _x) emissions (tonnes)	39.56	51.95
	Sulphur dioxide (SO ₂) emissions (tonnes)	26.55	16.74
	Particulate matter emissions (tonnes)	26.75	5.45
WASTE WATER	Chemical oxygen demand (COD) emissions (tonnes)	0.06	0.10
	Ammonia nitrogen emissions (tonnes)	0.004	0.002
	Wastewater discharge (m ³)	517,388,957.96	525,061,302.75

Indicators		2023	2024
WASTE WATER	Total greenhouse gas emissions (Scope 1 and Scope 2) (tonnes)	412,248.71	536,760.00
	Greenhouse gas emissions per RMB100 million of revenue (tonnes/RMB100 million)	950.60	1,142.36
	Direct greenhouse gas emissions (Scope 1) (tonnes)	28,166.97	22,153.27
	— Gasoline	1,648.66	3,021.08
	— Diesel	1,239.20	4,917.98
	— Coal gas	12.04	1.24
	— Liquefied petroleum gas	48.13	72.04
	— Natural gas	25,218.93	14,140.93
	Indirect greenhouse gas emissions (Scope 2) (tonnes)	384,081.74	514,606.73
	— Purchased electricity	384,081.74	514,606.73
WASTE	Hazardous waste total (tonnes)	24,418.47	39,207.29
	Hazardous Waste per RMB100 million of revenue (tonnes/RMB100 million)	56.31	83.44
	Non-Hazardous Waste Total (tonnes)	7,346.90	48,094.08
	Non-Hazardous Waste per RMB100 million of revenue (tonnes/RMB100 million)	16.94	102.36
ENERGY CONSUMPTION	Total energy consumption (MWh)	817,153.54	1,009,087.19
	Energy consumption per RMB100 million of revenue (MWh/RMB100 million)	1,884.28	2,147.59
	Direct energy consumption (MWh)	140,726.34	103,703.23
	— Gasoline	6,732.63	12,337.15
	— Diesel	4,715.51	18,714.28
	— Coal gas	89.65	9.21
	— Liquefied petroleum gas	216.97	324.76
	— Natural gas	128,971.57	72,317.82
	Indirect energy consumption (MWh)	676,427.20	905,383.97
	— Purchased Electricity	673,325.85	902,214.38
	— Renewable energy electricity	3,101.35	3,169.59
RESOURCE CONSUMPTION	Total water consumption (m ³)	11,317,489.41	21,231,654.29
	Water consumption per RMB100 million of revenue (m ³ /RMB100 million)	26,097.01	45,186.23
	Total paper consumption (tonnes)	98.47	127.96
PACKAGING MATERIALS	Total packaging materials used in manufacturing (tonnes)	312.40	187.82
	Packaging materials used per RMB100 million of revenue (tonnes/RMB100 million)	0.72	0.40

Social Performance

Employment Statistics

Indicators	2023	2024
Total number of employees ¹ (person)	188,862	190,763
Male employees (person)	121,425	123,112
Female employees (person)	67,437	67,651
Number of employees aged 30 or below (person)	47,015	46,928
Number of employees aged 31-35 (person)	42,814	40,289
Number of employees aged 36-40 (person)	38,006	40,234
Number of employees aged 41-45 (person)	22,781	25,128
Number of employees aged 46-50 (person)	16,195	16,160
Number of employees aged 51-55 (person)	15,391	14,602
Number of employees aged 56 or above (person)	6,660	7,422
Number of employees in the Chinese Mainland (person)	167,773	166,918
Number of employees in Hong Kong, Macau and Taiwan (person)	10,071	10,017
Number of employees in other countries and regions (person)	11,018	13,828
Number of employees with a PhD degree (person)	989	958
Number of employees with a master's degree (person)	37,736	39,617
Number of employees with a bachelor's degree (person)	84,081	85,437
Number of employees with an associate degree or below (person)	66,056	64,751

1. This includes official contract employees at the headquarters and subsidiaries, excluding labour dispatch employees.

Employee Health and Safety

	Indicators	2022	2023	2024
CITIC Bank ²	Number of work-related fatalities (person)	0	0	1
	Rate of work-related fatalities (%)	0	0	0.0016
CITIC Securities	Number of work-related fatalities (person)	0	0	0
	Rate of work-related fatalities (%)	0	0	0
CSC Financial	Number of work-related fatalities (person)	0	0	0
	Rate of work-related fatalities (%)	0	0	0
CITIC Pacific Special Steel	Number of work-related fatalities (person)	-	0	0
	Rate of work-related fatalities (%)	-	0	0

	Indicators	2024
CITIC Bank ²	Lost days due to work injury (day)	391
CITIC Securities ³	Lost days due to work injury (day)	624
CSC Financial	Lost days due to work injury (day)	549
CITIC Pacific Special Steel	Lost days due to work injury (day)	148

2. The statistical scope of this data is CITIC Bank Head Office.

3. The statistical scope of this data is the parent company of CITIC Securities, excluding branches.

Employee Turnover Statistics

Headquarters	Indicators	2023	2024
	Employee turnover rate (%)	0.60	1.80
	Female employee turnover rate (%)	0.64	1.20
	Male employee turnover rate (%)	0.59	2.10
	Employee turnover rate of those aged 30 and below (%)	0.00	0.00
	Employee turnover rate of those aged 31-40 (%)	0.93	4.60
	Employee turnover rate of those aged 41-50 (%)	0.90	0.00
	Employee turnover rate of those aged 51-59 (%)	0.00	0.00
	Employee turnover rate of those aged 60 and above (%)	0.00	0.00
	Employee turnover rate in the Chinese Mainland (%)	0.41	1.90
	Employee turnover rate in Hong Kong, Macao, and Taiwan regions (%)	0.20	0.00
CITIC Bank	Indicators	2023	2024
	Employee turnover rate (%)	2.58	2.14
	Female employee turnover rate (%)	2.40	2.12
	Male employee turnover rate (%)	2.81	2.16
	Employee turnover rate of those aged 30 and below (%)	4.47	4.53
	Employee turnover rate of those aged 31-50 (%)	2.12	1.55
	Employee turnover rate of those aged 50 and above (%)	0.29	0.32
	Turnover rate of employees in the Circum-Bohai Sea Region (%)	1.42	1.09
	Turnover rate of employees in the Yangtze River Delta (%)	3.12	2.80
	Turnover rate of employees in the Pearl River Delta and West Side of the Taiwan Straits (%)	3.64	3.19
	Turnover rate of employees in the central region (%)	2.06	1.57
	Turnover rate of employees in the western region (%)	3.29	2.33
	Turnover rate of employees in the northeastern region (%)	1.53	2.45

CSC Financial	Indicators	2023	2024
	Employee turnover rate (%)	11.73	9.05
	Female employee turnover rate (%)	13.18	7.96
	Male employee turnover rate (%)	10.65	9.86
	Employee turnover rate of those aged below 30 (%)	19.86	15.63
	Employee turnover rate in the Chinese Mainland (%)	11.64	8.88

CITIC Telecom International ⁴	Indicators	2023	2024
	Employee turnover rate (%)	12.12	11.74
	Female employee turnover rate (%)	11.05	11.54
	Male employee turnover rate (%)	12.89	12.10
	Employee turnover rate of those aged 30 and below (%)	22.18	21.21
	Employee turnover rate of those aged 31-40 (%)	9.10	10.49
	Employee turnover rate of those aged 41-50 (%)	6.73	6.98
	Employee turnover rate of those aged 51-59 (%)	7.30	4.15
	Employee turnover rate in the Chinese Mainland (%)	9.39	9.04
	Employee turnover rate in Hong Kong, China (%)	13.47	13.33
	Employee turnover rate in Macau, China (%)	12.59	10.12

4. The information disclosed above does not include employees in individual regions due to the restrictions imposed by regulations in those regions.

Employee Training Statistics⁵

Headquarters

Indicators	2023	2024
Number of employee training programs	84.00	71.00
Percentage of male employees participating in training (%)	92.00	100.00
Percentage of female employees participating in training (%)	87.00	100.00
Percentage of managerial employees participating in training (%)	100.00	100.00
Percentage of non-managerial employees participating in training (%)	89.70	100.00
Per capita training hours received by male employees (hours/person)	80.00	79.00
Per capita training hours received by female employees (hours/person)	70.30	64.00
Per capita training hours received by managerial employees (hours/person)	99.00	133.00
Per capita training hours received by non-managerial employees (hours/person)	75.00	69.00

CITIC Bank

Indicators	2023	2024
Percentage of male employees participating in training (%)	100.00	100.00
Percentage of female employees participating in training (%)	100.00	100.00
Percentage of managerial employees participating in training (%)	100.00	100.00
Percentage of non-managerial employees participating in training (%)	100.00	100.00
Per capita training hours received by male employees (hours/person)	72.00	160.00
Per capita training hours received by female employees (hours/person)	80.00	160.00
Per capita training hours received by managerial employees (hours/person)	48.00	184.00
Per capita training hours received by non-managerial employees (hours/person)	160.00	160.00

CSC Financial

Indicators	2023	2024
Percentage of male employees participating in training (%)	95.09	91.50
Percentage of female employees participating in training (%)	92.60	86.61
Percentage of managerial employees participating in training (%)	100.00	100.00
Percentage of non-managerial employees participating in training (%)	94.00	89.33
Per capita training hours received by male employees (hours/person)	50.18	48.70
Per capita training hours received by female employees (hours/person)	46.62	48.66
Per capita training hours received by managerial employees (hours/person)	331.89	265.51
Per capita training hours received by non-managerial employees (hours/person)	48.50	47.13

5. The percentage of employees in each of the above categories participating in training is the ratio of the number of employees in each category participating in training to the total number of employees in that category.

CITIC Telecom International	Indicators	2023	2024
	Percentage of male employees participating in training (%)	90.97	96.91
	Percentage of female employees participating in training (%)	80.58	98.72
	Percentage of senior managerial employees participating in training (%)	100	100
	Percentage of middle managerial employees participating in training (%)	91	96
	Percentage of first-line managerial employees participating in training (%)	93	99
	Percentage of general employees participating in training (%)	86	97
	Per capita training hours received by male employees (hours/person)	13.3	16.0
	Per capita training hours received by female employees (hours/person)	11.0	14.4
	Per capita training hours received by senior managerial employees (hours/person)	28.8	41.4
	Per capita training hours received by middle managerial employees (hours/person)	21.7	23.7
	Per capita training hours received by first-line managerial employees (hours/person)	16.1	19.9
	Per capita training hours received by general employees (hours/person)	11.6	14.4

Supplier Management

	Indicators	2024
CITIC Bank	Number of suppliers from the mainland of China (supplier)	19,135
	Number of suppliers from Hong Kong, Macau, Taiwan, and overseas (supplier)	65
CSC Financial ⁶	Number of suppliers from the mainland of China (supplier)	841
	Number of suppliers from Hong Kong, Macau, Taiwan, and overseas (supplier)	12
CITIC Pacific Special Steel	Number of suppliers from the mainland of China (supplier)	339
	Number of suppliers from Hong Kong, Macau, Taiwan, and overseas (supplier)	32

6. The statistical scope of this data is the parent company of CSC Financial, excluding branches.

Independent Assurance Report



Independent Practitioner's Limited Assurance Report

To the Board of Directors of CITIC Limited:

Report on selected information in CITIC Limited's 2024 Environmental, Social and Governance (ESG) Report (hereafter referred to as the "ESG Report") as of and for the year ended 31 December 2024. This English version is a translation, should there be inconsistency between the English edition and the Simplified Chinese edition, the Simplified Chinese edition shall prevail.

Conclusion

We have performed a limited assurance engagement on the following information in CITIC Limited's ESG Report as of and for the year ended 31 December 2024 (hereafter referred to as "the assured performance information"):

The assured performance information	Point in time or period subject to assurance
Total number of employees (persons)	As of 31 December 2024
Proportion of female employees (%)	As of 31 December 2024
Labor contract signing rate (%)	As of 31 December 2024
Number of employee training programs (number)	For the year ended 31 December 2024
Electricity consumption per capita at headquarters (MWh/person)	For the year ended 31 December 2024
Water consumption per capita at headquarters (m ³ /person)	For the year ended 31 December 2024
Gasoline consumption per capita at headquarters (Liters/person)	For the year ended 31 December 2024
Balance of green credit (RMB hundred million)	As of 31 December 2024
Number of customer complaints received through all channel (case)	For the year ended 31 December 2024



Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the assured performance information of CITIC Limited as of and for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with basis set out in the appendix to this report.

Our conclusion on the assured performance information does not extend to any other information that accompanies or contains the assured performance information and our report (hereafter referred to as "other information"). We have not performed any procedures as part of this engagement with respect to the other information.

Basis for conclusion

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for conclusion.

Restriction on use

This report is made solely to you, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.



Responsibilities for the assured performance information

The management of CITIC Limited is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the assured performance information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the assured performance information and appropriately referring to or describing the criteria used; and
- preparing the assured performance information in accordance with the Basis of Preparation attached to this report.

The governance layer is responsible for supervising the reporting process of performance information verified by CITIC Limited.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the assured performance information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the board of directors of CITIC Limited.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the assured performance information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the assured performance information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In addition, we do not conduct our work to express an opinion on the effectiveness of CITIC Limited's internal controls. Within our work scope, the assurance procedures were implemented at the head office of CITIC Limited, the head office of China CITIC Bank Corporation Limited and the head office of CITIC Securities Company Limited.



In carrying out our engagement, we performed the procedures including:

- 1) Interviewing with relevant departments engaged to provide the assured performance information;
- 2) Implementing analytical procedures on the assured performance information;
- 3) Conducting sampling inspection on the assured performance information; and
- 4) Performing recalculation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



KPMG Huazhen LLP

Beijing, China

17 April 2025

Appendix: Basis

Total number of employees (persons): The term Total number of employees disclosed in the ESG Report refers to the total number of all formal full-time employees at CITIC Limited's headquarters and subsidiaries as of 31 December 2024, excluding dispatched employees.

Proportion of female employees (%): The term Proportion of female employees disclosed in the ESG Report refers to the percentage of all formal female employees in-service over the total number of employees of CITIC Limited's headquarters and subsidiaries as of 31 December 2024.

Labor contract signing rate (%): The term Labor contract signing rate disclosed in the ESG Report refers to the percentage of formal employees in-service who have signed labor contracts with CITIC Limited's headquarters and subsidiaries as of 31 December 2024.

Number of employee training programs (number): The term Number of employee training programs disclosed in the ESG Report refers to the total number of training programs, including online and face-to-face training, carried out by CITIC Limited's headquarters for the year ended 31 December 2024.

Electricity consumption per capita at headquarters (MWh/person): The term Electricity consumption per capita at headquarters disclosed in the ESG Report refers to the average electricity consumption per formal employee in-service at CITIC's headquarters for the year ended 31 December 2024, which is the total electricity consumption of CITIC Limited's headquarters for the year ended 31 December 2024 over the total number of formal employees in-service of CITIC Limited's headquarters as of 31 December 2024.

Water consumption per capita at headquarters (m³/person): The term Water consumption per capita at headquarters disclosed in the ESG Report refers to the average water consumption per formal employee in-service at CITIC Limited's headquarters for the year ended 31 December 2024, which is the total water consumption of CITIC Limited's headquarters for the year ended 31 December 2024 over the total number of formal employees in-service of CITIC Limited's headquarters as of 31 December 2024.

Gasoline consumption per capita at headquarters (Liters/Person): The term Gasoline consumption per capita at headquarters disclosed in the ESG Report refers to the average gasoline consumption per formal employee in-service at CITIC Limited's headquarters for the year ended 31 December 2024, which is the total gasoline consumption of CITIC Limited's headquarters for the year ended 31 December 2024 over the total number of formal employees in-service of CITIC Limited's headquarters as of 31 December 2024.

Balance of green credit (RMB hundred million): The term Balance of green credit (RMB hundred million) disclosed in the ESG Report refers to the aggregate amount of the credit balance of CITIC Bank Co., Ltd. as of 31 December 2024, for the investment made in energy conservation and environmental protection, clean production, clean energy, ecological environment protection, green infrastructure upgrades and related fields.

Number of customer complaints received through all channel (case): The term Number of customer complaints received through all channel (case) disclosed in the ESG report refers to the total cases of complaints through regulatory channels, the 95558 hotline, the credit card center, and other channel. Excluding duplicate complaints and internally managed complaints related to account controls, credit reports, fee standards, debt negotiations, etc for the year ended 31 December 2024.

Content Index

HKEX Environmental, Social and Governance Reporting Code

Aspect	Disclosure Requirement	Section
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	P3
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison	P2
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	P2

Aspects, General Disclosures and KPIs	Description	Section
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P36-37, P40-45
KPI A1.1	The types of emissions and respective emissions data.	P108-114
KPI 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).	P108-114
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P108-114
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P108-114
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	P36-47
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P44

Aspects, General Disclosures and KPIs	Description	Section
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P40-45
KPI 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).	P108-114
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P108-114
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P36-37, P42-44
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P45
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	P108-114
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	P36-37, P40-45
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P36-47
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P28, P52-53
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	P28, P36-53
Employment and Labor Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P63-64
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	P115
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P116-117
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P66-67
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P115
KPI B2.2	Lost days due to work injury.	P116
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P66-67
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P65-66

Aspects, General Disclosures and KPIs	Description	Section
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P118-119
KPI B3.2	The average training hours completed per employee by gender and employee category.	P118-119
Aspect 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.	P63
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	P63
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	P63
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P30-31
KPI B5.1	Number of suppliers by geographical region	P119
KPI 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.	P30
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P30-31
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P30-31
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P76-79, P87-89
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P78
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P72-73, P79, P89
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	P29
KPI B6.4	Description of quality assurance process and recall procedures.	P78
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P71
Aspect 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.	P20-21
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P20
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P18-25
KPI B7.3	Description of anti-corruption training provided to directors and staff.	P19, P32-33

Aspects, General Disclosures and KPIs		Description	Section
Community			
Aspect B8: Community Investment			
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P80-86
KPI B8.1		Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P80-86
KPI B8.2		Resources contributed (e.g. money or time) to the focus area.	P80-86
Climate-related Disclosures			
(I) Governance			
(I) Governance		An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	P3, P6-7, P52
(II) Strategy			
Climate-related risks and opportunities		An issuer shall disclose its assessment of any climate-related risks reasonably likely to have a material effect on the issuer's business model, strategy and cash flows, its access to finance and its cost of capital, which may manifest in the short, medium or long term.	P52
Business model and value chain		An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	P52-53
Strategy and decision-making		An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph (a). An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph (a).	P52-53
Financial position, financial performance and cash flows		Current financial effect An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph (a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	/
		Anticipated financial effect The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	/
Climate resilience		An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date; and (b) how and when the climate-related scenario analysis was carried out.	/

Aspects, General Disclosures and KPIs	Description	Section
(III) Risk Management		
Climate-related risks and opportunities	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritize and monitor climate-related risks; (b) the processes the issuer uses to identify, assess, prioritize and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	P52
(IV) Metrics and Targets		
Greenhouse gas emissions	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	P108-114
Greenhouse gas emissions measuring method	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the <i>Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)</i> unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed, disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the <i>Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)</i> .	P108-109
Climate-related transition risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	/
Climate-related physical risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	/
Climate-related opportunities	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	/
Capital deployment	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/
Internal carbon prices	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making; and (b) the price of each metric ton of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	/
Remuneration	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	/
Industry-based metrics	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.	/
Climate-related targets	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	P36-37
	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	/
	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	/

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

GRI Content Index

Statement of use	CITIC Limited has reported the information cited in this GRI content index for the period from January 1st, 2024 to December 31st, 2024 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	P5
	2-2 Entities included in the organization's sustainability reporting	P2
	2-3 Reporting period, frequency and contact point	P2
	2-4 Restatements of information	/
	2-5 External assurance	P120-124
	2-6 Activities, value chain and other business relationships	P5
	2-7 Employees	P115-119
	2-8 Workers who are not employees	/
	2-9 Governance structure and composition	P12
	2-10 Nomination and selection of the highest governance body	P13
	2-11 Chair of the highest governance body	P12-13
	2-12 Role of the highest governance body in overseeing the management of impacts	P3
	2-13 Delegation of responsibility for managing impacts	P6-7
	2-14 Role of the highest governance body in sustainability reporting	P3, P6-7
	2-15 Conflicts of interest	/
	2-16 Communication of critical concerns	P106-107
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	2-18 Evaluation of the performance of the highest governance body	P17
	2-19 Remuneration policies	P17
	2-20 Process to determine remuneration	P17
	2-21 Annual total compensation ratio	/
	2-22 Statement on sustainable development strategy	P3
	2-23 Policy commitments	P3
	2-24 Embedding policy commitments	P3
	2-25 Processes to remediate negative impacts	P17, P78
	2-26 Mechanisms for seeking advice and raising concerns	P107
	2-27 Compliance with laws and regulations	P18-P25
	2-28 Membership associations	P8
	2-29 Approach to stakeholder engagement	P106-107
	2-30 Collective bargaining agreements	P63

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P106-107
	3-2 List of material topics	P106-107
	3-3 Management of material topics	P106-107
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	P55
	101-2 Management of biodiversity impacts	/
	101-3 Access and benefit-sharing	/
	101-4 Identification of biodiversity impacts	/
	101-5 Locations with biodiversity impacts	P54-55
	101-6 Direct drivers of biodiversity loss	/
	101-7 Changes to the state of biodiversity	P54-55
	101-8 Ecosystem services	P54-55
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	P48-49
	201-2 Financial implications and other risks and opportunities due to climate change	P52-53
	201-3 Defined benefit plan obligations and other retirement plans	P64
	201-4 Financial assistance received from government	/
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	/
	202-2 Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	P61
	203-2 Significant indirect economic impacts	P62
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	/
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	/
	205-2 Communication and training about anti-corruption policies and procedures	P19, P32-33
	205-3 Confirmed incidents of corruption and actions taken	/
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	/
GRI 207: Tax 2019	207-1 Approach to tax	/
	207-2 Tax governance, control, and risk management	/
	207-3 Stakeholder engagement and management of concerns related to tax	/
	207-4 Country-by-country reporting	/
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P108-114
	301-2 Recycled input materials used	P45
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	302-2 Energy consumption outside of the organization	P108-114
	302-3 Energy intensity	P108-114
GRI 302: Energy 2016	302-4 Reduction of energy consumption	P108-114
	302-5 Reductions in energy requirements of products and services	P40-43
	303-1 Interactions with water as a shared resource	P40, P45, P108-114
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	P40, P45, P108-114
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	303-4 Water discharge	P40, P45, P108-114
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	305-1 Direct (Scope 1) GHG emissions	P108-114
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	305-4 GHG emissions intensity	P108-114
	305-5 Reduction of GHG emissions	P108-114
	305-6 Emissions of ozone-depleting substances (ODS)	/
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P108-114
	306-1 Waste generation and significant waste-related impacts	P44
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	P44
	306-3 Waste generated	P108-114
	306-4 Waste diverted from disposal	P44
	306-5 Waste directed to disposal	P44
	308-1 New suppliers that were screened using environmental criteria	P30-31
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	P31
	401-1 New employee hires and employee turnover	P115-117
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P63-64, P68-69
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GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	/
	403-1 Occupational health and safety management system	P66
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	P66-67
	403-3 Occupational health services	P66-67
	403-4 Worker participation, consultation, and communication on occupational health and safety	P66-67, P69
	403-5 Worker training on occupational health and safety	P67

GRI STANDARD	DISCLOSURE	LOCATION
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	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P66-67
	403-8 Workers covered by an occupational health and safety management system	P66-67
	403-9 Work-related injuries	P115-116
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	404-2 Programs for upgrading employee skills and transition assistance programs	P65-66
	404-3 Percentage of employees receiving regular performance and career development reviews	P64
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P63
	405-2 Ratio of basic salary and remuneration of women to men	P63
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	/
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	/
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	/
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	/
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	/
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	P58-60, P83-84
	413-2 Operations with significant actual and potential negative impacts on local communities	/
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	P30-31
	414-2 Negative social impacts in the supply chain and actions taken	/
GRI 415: Public Policy 2016	415-1 Political contributions	/
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P72-73, P79, P89
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	/
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	P87
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Reader's Feedback

Dear Readers,

We appreciate your reading the CITIC Limited Environmental, Social and Governance (ESG) Report 2024. We look forward to your comments and suggestions on the report and on ourselves. You can send the completed questionnaire back to us by mail to put forward your valuable suggestions. Thank you!

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1.What kind of stakeholders does your work unit belong to CITIC LIMITED:

- Shareholder ☐
- Investor ☐
- Employee ☐
- Supplier ☐
- Customer ☐
- Government ☐
- Community ☐
- Academic institution ☐
- Non profit organization ☐
- Others (please specify)

2.Is the information you are concerned about reflected in this year's ESG report?

- Yes ☐
- Partially ☐
- No ☐

3.Your comprehensive evaluation of this year's annual ESG report:

Readability (the expression is easy to understand, the design is beautiful, attractive, and it is easy to find the required information)

- 3 points (good) ☐
- 2 points (average) ☐
- 1 point (poor) ☐

Credibility (report information is authentic)

- 3 points (good) ☐
- 2 points (average) ☐
- 1 point (poor) ☐

Information integrity (both positive and negative information, and meets your information needs)

- 3 points (good) ☐
- 2 points (average) ☐
- 1 point (poor) ☐

4.Can you easily find the information you are concerned about in the report?

- Yes ☐
- Moderately ☐
- No ☐

5.In addition to what has been disclosed in the report, what information would you like to see?

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