泸州银行
LUZHOU BANK

Luzhou Bank Co., Ltd.
Incorporated in the PRC
Stock Code:1983.HK



2025 Luzhou Bank Co., Ltd.

Environmental, Social and Governance Report

About this Report

This report is the eighth Environmental, Social, and Governance (ESG) Report issued by Luzhou Bank Co., Ltd. (hereinafter referred to as "the Bank," "we," or "Luzhou Bank"). It aims to disclose our management philosophy and performance in the ESG field. This report should be read in conjunction with the "Corporate Governance Report" section of the *Annual Report 2025 of Luzhou Bank Co., Ltd.* to provide readers with a more comprehensive understanding of our relevant information.

Organizational Scope

This report focuses on Luzhou Bank Co., Ltd., with some content presented from the perspective of the Group.

Reporting Period

Unless otherwise specified, this report covers the period from January 1, 2025, to December 31, 2025 (the "Reporting Period"). To enhance the comparability and forward-looking nature of the report, certain contents may extend beyond the aforementioned timeframe.

Basis of Preparation

This report is prepared under the guidance of relevant requirements such as the *Opinions on Strengthening Social Responsibility of Banking Financial Institutions,* the *Guidelines on Corporate Social Responsibility of Chinese Banking Financial Institutions,* and the *Guidelines for Environmental Information Disclosure of Financial Institutions.* It refers to the *GRI Sustainability Reporting Standards (GRI Standards) 2021 Edition* of the Global Reporting Initiative, the *Guidance on Social Responsibility (ISO 26000)* of the International Organization for Standardization, and the *Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).* As a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "HKEX") (Stock Code: 1983.HK), this report also complies with the *Environmental, Social and Governance Reporting Guide* (the "ESG Reporting Guide") set out in Appendix C2 to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the "Listing Rules"), as well as the *Reference Index System for ESG Special Reports of Central Enterprise-Controlled Listed Companies* issued by the State-owned Assets Supervision and Administration Commission of the State Council, and the *Sustainability Disclosure Standards for Business Enterprises - Basic Standards (Trial)* issued by the Ministry of Finance.

Principles of Report Writing

This report discloses material information based on the principles of Materiality, Quantitativeness, and Consistency as required by the ESG Reporting Guide, ensuring that quantitative data is consistent and comparable. The report strictly complies with the "Mandatory Disclosure Provisions" and "Comply or Explain" provisions set out in the ESG Reporting Guide to elaborate on the environmental and social impacts of our operating activities.

Materiality: Through materiality assessment, we identify and analyze ESG issues that have a significant impact on our sustainable development and make corresponding disclosures in this report. For the stakeholder identification process, the specific materiality assessment process, and the results, please refer to the "Stakeholder Communication" and "Materiality Assessment" sections.

Quantitativeness: We disclose quantitative data in environmental and social areas applicable to the ESG Reporting Guide, clearly specifying the standards, methods, assumptions, and calculation bases used, including the sources of major conversion factors, to comprehensively evaluate our ESG performance during the Reporting Period.

Consistency: Where feasible, the data disclosed in this report adopts statistical methods consistent with the previous year to facilitate effective comparison of performance by stakeholders. If there are changes in statistical methods, we will list and explain them in the corresponding sections.

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About Us

Founded in September 1997, Luzhou Bank is a state-owned enterprise under Luzhou Municipality. Our major shareholders include Luzhou Laojiao Group, Sichuan Jiale Enterprise Group, and the Luzhou Finance Bureau, with state-owned shares accounting for 51.35%. In December 2018, We were listed on the Main Board of the HKEX (Stock Code: "1983.HK"), becoming the first listed bank among prefecture-level cities in Western China. We have branches in Chengdu, Meishan, and Suining, with a total of 41 business outlets.

We stay true to our original mission of serving the real economy. Centering closely on the "Five Major Articles" of finance (Technology Finance, Green Finance, Inclusive Finance, Pension Finance, and Digital Finance), we optimize resource allocation, innovate products and services, and enhance the quality and efficiency of our service to the real economy, playing an active role in the financing of major projects, key industries, and priority fields. Following national strategic orientations, we established the Luxian-Yongchuan-Jiangjin Integrated Development Demonstration Zone Branch and deeply participated in the construction of the Chengdu-Chongqing Economic Circle.

Our excellent development has been fully recognized and widely praised by all sectors of society, and our brand image continues to improve. We have successively won multiple honorary titles such as "Most Regionally Competitive City Commercial Bank" and "Top Ten Inclusive Finance Service Innovation Award." We were rated as an "Excellent Service Enterprise of Sichuan Province" by the Provincial Party Committee and Provincial Government. In the competitiveness evaluation by The Banker magazine, we have ranked among the top city commercial banks of similar scale nationwide multiple times. In the target performance assessment of the Luzhou Municipal Party Committee and the "Financial Enterprise Performance Evaluation" of the Sichuan Provincial Finance Department, we have ranked among the top for consecutive years. In the 2025 "GYRO" evaluation system list for city commercial banks by the China Banking Association, we ranked 14th overall. In the "2025 Top 1000 World Banks" list released by The Banker magazine (UK), we ranked 647th.

In the future, we will actively seize opportunities, adopting more pragmatic and precise measures and a more enterprising posture to fully promote high-quality development, striving to build a first-class "Small and Beautiful" bank in Southwest China.



First listed bank among prefecture-level cities in Western China

The first bank in Sichuan to connect its system with the Real Estate Registration Center, achieving one-stop online mortgage registration

Ranked 14th overall in the 2025 "GYRO" evaluation system list for city commercial banks

Board Statement

The Board of Directors of us follows regulatory requirements such as the *Corporate Governance Code* and the *Environmental, Social and Governance Reporting Guide* of the HKEX. We have comprehensively strengthened the Board's supervision of ESG matters, integrating ESG concepts and key issues into our overall development strategy, major decision-making, and operational management.

Supervision of ESG Matters:

The Board of Directors assumes ultimate responsibility for ESG work. As the highest decision-making body for ESG matters, it is responsible for supervising, guiding, identifying, evaluating, and prioritizing key ESG issues related to us. These issues are incorporated into our strategic planning. The Board regularly evaluates the implementation of such plans, reviews ESG-related work reports, and promotes the implementation of other ESG-related tasks required by regulators.

ESG Management Policies and Strategies:

The Board is responsible for formulating and improving ESG-related strategies, policies, and systems, clarifying the guiding principles and work strategies for sustainable development goals. Managing and improving key issues are regarded as practical tasks of the sustainable development strategy. The Board discusses and determines the risks and opportunities the Bank faces in ESG, and is responsible for conducting materiality assessments of ESG issues annually and confirming the results. We communicate with stakeholders through various channels and incorporate ESG matters of concern into our ESG decisions and plans. We also integrate ESG management policies and strategies into the daily management system and will continuously improve our performance in the ESG field.

Review of ESG Targets:

We are committed to actively fulfilling environmental and social responsibilities while developing its business. We proactively respond to climate change and formulate special development plans and set ESG-related targets around key areas such as the "Five Major Articles" of finance, employee rights protection, consumer rights protection, data security and customer privacy protection, and risk management. Senior management reports the progress of target achievement to the Board regularly, including emission reduction targets, non-hazardous waste targets, hazardous waste targets, water-saving targets, and energy-saving targets. The Board reviews these environmental targets and adjusts the target direction in a timely manner.

The Board of Directors reviewed and approved this report on March 23, 2026.

Corporate Culture

We vigorously cultivate corporate culture, refining and summarizing the spiritual and cultural essence of the Bank. We adhere to the spirit of "Core System Launch" and the "Three Long-term Loves," namely, continuously guiding employees to have a long-term love for the financial career, a long-term love for Luzhou Bank , and a long-term love for all employees of Luzhou Bank . With strong cultural power and work enthusiasm, we provide customers with high-quality, efficient, convenient, and value-added comprehensive financial services, striving toward the goal of being "more accurate, faster, and stronger."

ESG Governance

We profoundly practice the political and people-oriented nature of financial work. We steadily promote the integration of ESG concepts into daily operational management from all dimensions and perspectives, striving to build an ESG management system with Luzhou Bank characteristics, and actively enhancing our value creation and sustainable development capabilities.

ESG Philosophy and Strategy

We take "serving the local area and serving SMEs" as our business purpose. Based on the core positioning of serving the local economy and SME customers, we continuously enhance our comprehensive financial service capabilities for SMEs, individual industrial and commercial households, and individual customers, promoting the sustainable development of the real economy and the regional economy. We are committed to building a specialized system for serving SME customers, coordinating the expansion of SME customer business and the layout of individual customer intermediary business to meet increasing individual financial service needs. Adhering to the purpose of vigorously supporting the construction of a new socialist countryside and urban-rural integrated development, we actively establish new types of rural financial institutions to build a corporate image that serves SME customers and cares about people's livelihoods in Luzhou. While developing our business, we also actively fulfill environmental and social responsibilities, providing high-quality services to customers, creating welfare for employees, and creating value for shareholders.

ESG Governance Structure

To fulfill our commitment to sustainable development, we have established an ESG governance system led by the Board of Directors.

ESG Governance Structure

- **Board Level**
  - **Board of Directors:** As the highest decision-making body for ESG work, it is responsible for supervising, guiding, identifying, evaluating, and prioritizing ESG issues and risks related to Luzhou Bank , confirming the results, and assuming ultimate responsibility for the Bank's ESG work.
  - **Development Strategy Committee:** Under the Board of Directors, it is responsible for ESG management, drafting ESG policies, strategies, and targets, reviewing reports on ESG-related matters, supervising the implementation of ESG work, and reporting to the Board. It is also responsible for climate-related responsibilities, assisting the Board in supervising climate-related risks and opportunities.
- **Management Level**
  - **Senior Management:** Responsible for executing ESG strategies and targets, promoting the popularization and practice of ESG internally, coordinating the management of specific ESG matters, and promoting cross-departmental cooperation.
- **Work Stream Level**
  - **ESG Working Group:** Composed of multiple departments at the headquarters, responsible for carrying out specific ESG tasks in their respective fields.
  - **Branches:** Under the guidance of the ESG Working Group, branches conduct ESG work locally.

ESG Risk Management and Control

We attach great importance to ESG risk management and control, integrating it comprehensively into the risk management system. The Basic System for Comprehensive Risk Management of Luzhou Bank clearly stipulates that our comprehensive risk management follows the principle of "Full Coverage," covering all types of risks and the mutual influence between different risks. Simultaneously, Environmental, Social, and Governance (ESG) risks are incorporated into other risk categories for management.

In daily management, we report the main measures and effectiveness of environmental and social risk management for the current year to senior management and the Board through a standalone section in the Annual Risk Analysis Report. We set corresponding clauses in various business contracts to guide customers to strengthen environmental and social risk management and accept our supervision, preventing the transmission of environmental and social risks from the source of the business.

ESG Training

During the reporting period, we organized three ESG thematic training sessions for all members of the Board of Directors and two ESG information disclosure training sessions for various functional departments. The training content covered multiple dimensions, including the new regulations on corporate governance of the Hong Kong Stock Exchange, the current status and trends of ESG development, new mechanisms for climate information disclosure, the significance of ESG work, industry best practices, and our work deployment. Through continuous learning and exchange, the Board of Directors' understanding and perception of the ESG concept have been further deepened, their awareness of ESG governance has been strengthened, and a solid foundation has been laid for the Bank to integrate ESG factors into strategic decision-making and operational management, continuously improving the effectiveness and professional level of ESG management.

During the reporting period

3
ESG thematic training sessions were organized for all members of the Board of Directors.

2
ESG information disclosure training sessions were organized for various functional departments.

Stakeholder Communication

We firmly believe that effective communication with stakeholders is a key support for achieving sustainable development. We highly value the opinions and core concerns of stakeholders, maintaining regular communication through diversified channels to fully understand their suggestions and expectations, thereby improving the Bank's sustainable development policies and practical performance.

We have clearly identified major stakeholders including: government regulatory authorities, investors/shareholders, customers, employees, communities, suppliers, and media. For the ESG issues of primary concern to each stakeholder and the corresponding communication channels, please refer to the “Luzhou Bank Stakeholder Identification Table.”

Luzhou Bank Stakeholder Identification Table

Stakeholders	Key ESG Issues	Main Communication and Response
Government Regulatory Authorities	Response to national strategies; Serving the real economy; Compliance with laws and regulations; Paying taxes according to law; Responding to climate change; Technology Finance; Green Finance; Pension Finance; Inclusive Finance; Digital Finance	Studying laws and regulations, policy guidelines, and normative documents; Participating in meetings of government regulatory agencies; Regular compliance disclosure reports; Participating in forums and seminars; Complying with regulatory policies; Adhering to the leadership of Party building; Implementing the "Five Major Articles"
Investors/ Shareholders	Corporate governance; Compliant operations; Risk management; Business ethics; Information transparency; Market expansion; Product innovation; Shareholder returns; Digital Finance; Green Finance	Holding general meetings; Conducting investor communication and roadshow activities; Releasing periodic and extraordinary announcements; Strengthening risk prevention; Improving corporate governance
Customers	Consumer rights protection; Information transparency; Data security and customer privacy protection; Inclusive Finance; Pension Finance	Opening diversified customer service channels; Conducting customer consultation groups; Daily management/exchange; Visits by customer relationship managers; Conducting customer satisfaction surveys; Strengthening safety of business outlets; Timely release of product and marketing announcements
Employees	Employee rights and benefits; Remuneration system; Labor standards; Training and development	Holding employee representative congresses; Diversified employee activities; Implementing vocational skills training; Promoting talent team building; Holding symposiums; Safeguarding legitimate rights and interests; Deepening democratic management

Stakeholders	Key ESG Issues	Main Communication and Response
Community	Inclusive Finance; Pension Finance; Social contribution; Community development; Social public welfare; Rural revitalization	Popularizing financial knowledge; Supporting the development of small and micro enterprises; Supporting rural revitalization; Conducting volunteer activities and public welfare activities; Conducting financial knowledge lectures and training
Suppliers	Supply chain management; Transparent procurement; Equal competition; Business ethics; Risk management	Public bidding and procurement; Conducting on-site investigations of suppliers; Signing cooperation agreements and contracts; Improving supplier management; Strengthening communication with suppliers
Media	Dialogue mechanism and exchange platform; Social contribution; Technology Finance; Green Finance; Inclusive Finance; Pension Finance; Digital Finance	Updating the official website and social media; Accepting media interviews

Materiality Issues

Materiality Issue Assessment and Analysis

To identify and determine the priority of ESG issues, we regularly understand the demands of various stakeholders through specialized questionnaires and other channels, while conducting ESG issue materiality assessments to provide a decision-making basis for formulating and implementing ESG policies that align with stakeholder needs. We consistently adhere to an open and inclusive communication philosophy, interacting with internal and external stakeholders through diversified communication channels.



The specific process to conduct ESG issue materiality assessments and determine report disclosure content is as follows:

Step 1

Identification

- Based on the socio-economic environment, the importance of various issues to the Bank's industry, and the opinions of various internal departments, a series of potential ESG-related issues are listed.

Step 2

Assessment

- Collect opinions from internal and external stakeholders on the importance of various issues to understand the impact of each issue on stakeholders themselves and its importance to our sustainable development. Assess the relevance and importance of each issue by referring to the identification of materiality issues by peers and our management status.

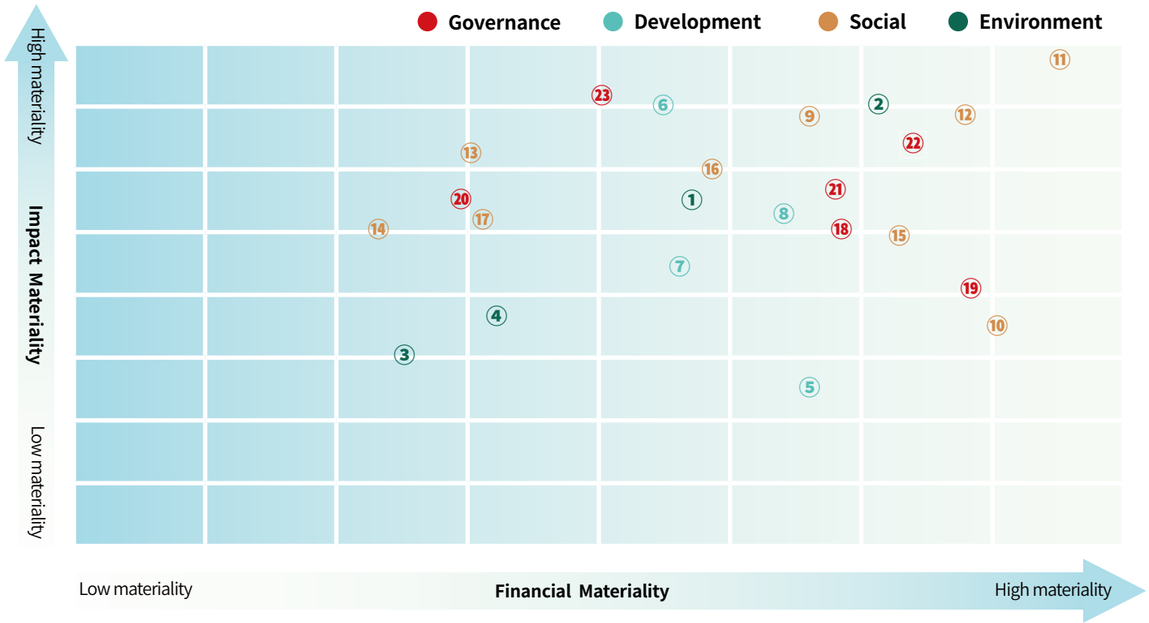
Step 3

Confirmation

- Comprehensively consider the survey results of various stakeholders and the results of peer analysis to identify materiality issues, with the Board of Directors confirming that the assessment results conform to the Bank's business characteristics and management status.

Materiality Matrix

During the reporting period, we analyzed the key concerns of internal and external stakeholders regarding the company in accordance with HKEX policies and domestic and international sustainability regulations. Combined with the management practices of domestic and foreign peers, we conducted an annual review of the materiality issues from the previous year. Through consultation with representatives of internal and external stakeholders, the company comprehensively formed 23 annual materiality issues.



Environmental		Development		Social		Governance	
1	Responding to climate change	5	Digital Finance	9	Serving national strategies	18	Party building leadership
2	Green Finance	6	Inclusive Finance	10	Employees	19	Corporate governance
3	Green operations	7	Technology Finance	11	Customer rights protection	20	Stakeholder communication
4	Energy and resource management	8	Pension Finance	12	Data security and customer privacy protection	21	Compliance management
				13	Supply chain management	22	Risk management
				14	Public welfare and charity	23	Anti-money laundering and anti-corruption
				15	Rural revitalization		
				16	Social contribution		
				17	Community co-construction		

Annual Honors and Ratings

1000
Ranked 647th in the "2025 Top 1000 World Banks" list, moving up 27 places from the previous year
The Banker Magazine (UK)

14th
Ranked 14th overall in the 2025 "GYRO" Evaluation System List for CityCommercial Banks
China Banking Association

Golden Wisdom Award
2025 Financial Sector "Golden Wisdom Award" — Outstanding Cross-border Financial Innovation Service Award
Qihang Financial Annual Conference Committee

Golden Tripod Award
2025 "Golden Tripod Award" for Supporting Local Economic Development
Daily Economic News

Mobile Banking Leapfrog Growth Pioneer Case, Corporate Mobile Banking Smart Operation Excellence Case
2025 Entrepreneurs Boao Forum——Digital Finance Security and Development Conference
Xinhua Net; China Financial Certification Authority (CFCA)

2025 Outstanding Wealth Management Bank
Hexun Finance

Typical Case Award for Fintech Innovation Regulatory Tools
Sichuan Payment and Clearing Association

Five-star Standardized Service Demonstration Outlet of Sichuan Banking Industry
Sichuan Banking Association

Top 100
Shortlisted for "2025 Top 100 Sichuan Service Enterprises," ranking 61st
Sichuan Enterprise Confederation; Sichuan Enterprise Directors Association

2025 Advanced Collective for Promoting High-Quality Development in Luzhou
Luzhou Municipal Party Committee and Municipal Government

Advanced Collective for Business Environment
Party Working Committee of Suining High-tech Zone; Management Committee of Suining High-tech Zone

Advanced Unit for High-Quality and Leapfrog Development in Hedong New District of Suining
Working Committee of Suining Hedong New District of the CPC; Management Committee of Suining Hedong New District

01 Climate Risk Management

01 Climate-related Risks and Opportunities

02 Greenhouse Gas (GHG) Emissions Accounting

CLIMATE

Climate-related Risks and Opportunities

Governance

We proactively respond to and implement the national "Dual Carbon" goals, adhering to the climate-related disclosure requirements set out in Part D of the *Environmental, Social and Governance Reporting Guide* of the HKEX, and conducts climate-related disclosure work with reference to the accompanying *Implementation Guidance*.

Grounded in our business reality, we have established and improved our climate-related governance structure. We actively explore effective pathways to integrate climate risk identification, assessment, and monitoring processes into the comprehensive risk management system. We are committed to achieving a dynamic grasp of climate-related risks and opportunities, promoting the deep integration of climate governance processes with business development goals, and continuously solidifying the foundation of operational resilience in responding to climate challenges.

(I) Roles and Responsibilities of the Board of Directors

The Board of Directors is the decision-making and supervisory body for the Bank's climate-related matters, assuming ultimate responsibility for the identification, assessment, and strategic planning of climate risks and opportunities. The Board will gradually improve the regular review mechanism for climate-related strategies, progress of environmental targets, and climate risk assessment results, promoting the alignment of the Bank's governance structure with regulatory requirements and national "Dual Carbon" goals. Simultaneously, by strengthening decision-making supervision of significant climate matters and continuously focusing on the impact of climate factors on long-term value, the Board drives strategic decision-making to be more forward-looking and resilient.

(II) Roles and Responsibilities of Management

Under the authorization of the Board of Directors, management is fully responsible for monitoring, managing, and supervising climate-related risks and opportunities. Key responsibilities include executing climate and environmental management targets, improving risk identification and management processes, regularly reporting the progress of stress testing and other work to the Board, and coordinating various departments to substantively integrate climate risk requirements into the entire business process.

In terms of remuneration incentive policies, we are gradually improving feasible pathways to incorporate climate and environmental-related performance indicators into the senior management remuneration appraisal system. We are exploring the establishment of incentive and constraint mechanisms linking environmental performance with duty performance responsibilities to better guide management in effectively fulfilling climate governance responsibilities while promoting stable business development.

To enhance duty performance competence, we continue to strengthen the professional capacity building of the Board and management regarding climate risk management. We have established training and exchange mechanisms related to climate risk management frameworks and stress testing to drive the decision-making level toward forming a systematic understanding of climate-related risks, providing forward-looking and professional support for subsequent assessment and management work.

Strategy

(I) Identification and Response to Climate-related Risks

We recognize that climate change has evolved from a long-term environmental issue into a substantive factor affecting the asset quality and operational stability of financial institutions. We strictly follow international frameworks and regulatory guidelines to explore the establishment of a climate-related risk classification management system covering both physical risks and transition risks. Among them, physical risks primarily involve impacts brought by extreme weather events and long-term shifts in climate patterns; transition risks focus on potential risks induced by changes in policies, technology, and market environments during the low-carbon transition process.

On this basis, we are focusing on building a full-process climate risk response mechanism covering identification, assessment, monitoring, and reporting, and are orderly promoting the effective connection between the climate risk identification process and the comprehensive risk management system.

(II) Identification of Climate-related Opportunities

While prudently controlling risks, we actively identify strategic opportunities brought by climate change. We focus on climate-adaptive financing needs arising from infrastructure upgrades, flood prevention and disaster reduction, and the enhancement of agricultural disaster resistance, as well as medium- to long-term business growth points generated by manufacturing, energy, and infrastructure enterprises during low-carbon transition processes such as energy-saving renovation and clean energy substitution. Additionally, we actively explore and develop innovative green loan products to enrich our product system, thereby enhancing customer loyalty while supporting the transformation of the real economy.

(III) Potential Impact on Business Model and Value Chain

Impact of Various Climate Risks on Business Model and Value Chain

Risk Type	Climate-related Risk	Impact on Business Model	Impact on Value Chain
Climate-related Physical Risks			
Acute Risks (Sudden)	• Floods • Droughts • Tropical Cyclones • Heatwaves • Frost	1. Impaired expected value of collateral and own assets in high-risk areas; 2. Negative impact on labor (e.g., health, safety, absenteeism); 3. Impact on industry entry standards and credit maturity structures.	1. Credit assets located in high-risk areas face higher default risks; 2. Production and operations of some customers are interrupted, or output is reduced; 3. Physical damage to assets held by some customers.
Chronic Risks (Mid-to-long term)	• Sustained rise in temperature • Sea level rise		
Climate-related Transition Risks			
Policy and Legal Risks (Mid-to-long term)	• Implementation of "Dual Carbon" policies • Increased carbon pricing • Stricter environmental regulation	1. Reduction in loans to high-carbon industries; 2. Increased scrutiny requirements for the ESG performance of credit subjects; 3. Stricter requirements for environmental (climate) risk process management.	1. Carbon-intensive customers suffer profitability losses due to rising compliance costs, and their high-carbon assets face value impairment and stranded asset risks; 2. Overall investment and financing capacity of carbon-intensive customers is restricted.
Technology Risks (Mid-to-long term)	• Substitution by low-carbon technology • Accelerated exit of high-carbon technology		
Market Risks (Mid-to-long term)	• Enhanced preference for green consumption and green investment		
Reputation Risks (Mid-to-long term)	• Increased ESG attention • Strengthened social supervision		

(IV) Strategic Integration and Decision-making Considerations for Climate-related Risks and Opportunities

To effectively address climate-related risks and opportunities, we continuously adjust our business model and optimize resource allocation within our operational management. By formulating an overall credit strategy for green credit, we have steadily optimized our credit structure, guiding the prioritization of financial resources toward green, low-carbon, and environmental improvement sectors. Concurrently, we implement more prudent credit management for "high energy consumption and high emission" industries and substantively integrates environmental and social risk requirements into the entire credit business process.

On this basis, we have begun preliminary research on climate transition planning, including framework design and an initial exploration of target-setting pathways. Moving forward, in light of our business operations and regulatory requirements, we will be steadily advancing its climate transition plan.

(V) Climate-related Financial Impact

During the reporting period, the impacts of physical and transition risks associated with climate change on the operational stability, asset quality, and financing needs of some customers were generally controllable. Their impact on the Bank's financial position, operating results, and cash flows was limited, and the Bank's overall operational condition remained stable. Simultaneously, the development of green finance and transition finance businesses has presented corresponding business opportunities for the Bank.

(VI) Anticipated Financial Impact

Under the general strategic framework for the management of climate-related matters and opportunities, the anticipated financial impacts across short-, medium-, and long-term horizons are described as follows. Generally, with external environment changes and the continuous improvement of the Bank's management mechanisms, the financial position across different time dimensions may be affected. We will coordinate business arrangements consistent with strategic objectives based on overall business planning and dynamically optimize measures in response to internal and external environmental changes. Furthermore, the funds required for strategy implementation will be incorporated into the Bank-wide fund and capital management system for holistic consideration, with funding sources covering multiple paths including existing resources and market-based channels.

Based on the aforementioned strategies and arrangements, climate-related factors may also impact the Bank's financial performance and cash flows over the short, medium, and long term. The specific manifestations and extent of these impacts are subject to the combined effects of the evolving external environment, market changes, and the effectiveness of measures implemented. We will continue to monitor relevant progress and optimize management measures in a timely manner to ensure robust operations and sustainable development.

At the current stage, we have not provided quantitative data regarding the aforementioned anticipated financial impacts. This is primarily because such impacts are difficult to identify separately within financial statements, and quantitative results involve high uncertainty due to measurement methodologies and data limitations. Under current skills, capabilities, and resource conditions, quantitative estimates may lack substantive reference value. Therefore, we are disclosing this information qualitatively for the time being and will gradually enhance the completeness and precision of disclosures as the data foundation and methodological conditions improve.

(VII) Climate Resilience

To assess the potential impact of climate risks on the Bank's asset portfolio and respond to the HKEX's disclosure requirements regarding climate resilience, we utilized climate-related scenario analysis to conduct stress tests on representative asset classes, including major credit assets, financial investment assets, and self-owned buildings.

Based on the nature of its business and the scope of strategic decision-making, we define the time horizons for climate risk identification and assessment as follows: Short-term (until the end of 2026), Medium-term (2027 to 2030), and Long-term (2031 to 2050). These timeframes are highly consistent with the Bank's cycles for strategic planning, capital management, and business structural adjustment. By simulating the evolution of climate scenarios across different time dimensions, we aim to identify potential vulnerabilities in our asset portfolio, providing a prudent reference for the Board of Directors and management in making medium- to long-term decisions regarding risk appetite, resource allocation, and business layout.

In terms of business coverage, this year's test focused on corporate loan assets, external financial investments, and self-owned buildings, ensuring comprehensive coverage of the Bank's core businesses and physical assets.

Specifically, this year's test covered nearly 3,000 corporate loan customers (with a total balance of approximately RMB 110 billion at the end of the reporting period), over 60 external financial investments (with a total fair value of approximately RMB 7.3 billion), and over 400 self-owned houses and buildings (with a total net book value of approximately RMB 600 million). Geographically, the tested assets are primarily concentrated in the Bank's core operating regions of Sichuan Province and Chongqing Municipality, achieving effective coverage of our actual operational risks within the testing scope.

1. Transition Risk Stress Testing

In the transition risk assessment, we utilized climate-related scenario analysis to evaluate transition risks. Regarding scenario settings, we referred to the Network for Greening the Financial System (NGFS) framework, selecting three highly contrastive and representative scenarios: "Current Policies[1]," "Fragmented World[2]," and "Net Zero 2050[3]." The assessment employed a top-down macro and industry transmission model, introducing the "cost pass-through rate" as a core adjusting variable to simulate the ability of enterprises to transfer carbon costs downstream in the supply chain and the resulting impact on their operational resilience under different market competition patterns.

The stress test results indicate that the Bank's asset portfolio possesses strong resistance to transition risks, with risks generally controllable.

- **Regarding Credit Assets:** Transition pressure shows structural differentiation across industries. Under the "Net Zero 2050" deep decarbonization scenario, the risk sensitivity of high-carbon industries such as metal smelting and petroleum processing is relatively high. However, because the risk levels of pillar industries where the Bank's primary investments are concentrated—such as construction, leasing, and business services—remain stable, and high-carbon industry assets account for a small proportion of the Bank's total credit, fluctuations in a single industry did not result in a systemic financial impact on the overall credit portfolio.

- **Regarding Financial Investments:** The risk distribution characteristics are basically consistent with credit assets. High-carbon industries account for a limited proportion of the investment portfolio. Under the impact of different scenarios, the impact of fluctuations in relevant industries on the overall valuation of the investment portfolio remains within a reasonable and controllable range.

[1] Current Policies: Refers to a scenario that assumes no introduction of new, stricter climate policies and continues with current policies only.

[2] Fragmented World: Refers to a scenario characterized by limited coordination and inconsistent actions on climate policy among countries.

[3] Net Zero 2050: Refers to a scenario where the world achieves net-zero greenhouse gas emissions by 2050.

The following table illustrates the risk exposure of assets or businesses susceptible to climate transition risks within the asset portfolio at different time points, reflecting the evolutionary characteristics of transition risks across scenarios and time dimensions.

Amount and Percentage of Assets or Business Activities Affected by Climate-related Transition Risks

Transition Risk Value at Risk Percentage (%) & Value at Risk (RMB 10,000)				
Risk Type	**Climate Scenario**	**Short-term**	**Medium-term**	**Long-term**
Increase in Carbon Pricing Costs	NGFS Current Policies[1]	0.00% (0)	0.00% (0)	0.00% (0)
	NGFS Fragmented World[2]	0.00% (0)	0.00% (0)	0.00% (0)
	NGFS Net Zero 2050[3]	0.00% (0)	0.03% (2,795.79)	<0.01% (246.34)

2. Physical Risk Stress Testing

In the physical risk assessment, we established a "Hazard-Exposure-Vulnerability-Impact" quantitative assessment chain. Referring to the Representative Concentration Pathway (RCP 2.6, RCP 4.5, and RCP 8.5) scenarios[4] of the Intergovernmental Panel on Climate Change (IPCC), we conducted asset-level physical risk stress tests for its major credit, financial investments, and self-owned buildings. Regarding the selection of hazard factors, we focused on the hydro-geographical characteristics of its core operating regions (Sichuan Province and Chongqing Municipality), primarily evaluating inland flood and drought risks, while identifying tropical cyclone risks for certain cross-regional investment portfolios.

The stress test results show that the Bank's asset portfolio demonstrates strong geographical distribution resilience to physical risks. Physical risk performance exhibits significant scenario sensitivity and temporal distribution characteristics.

[1] Current Policies: Refers to a scenario that assumes no introduction of new, stricter climate policies and continues with current policies only.

[2] Fragmented World: Refers to a scenario characterized by limited coordination and inconsistent actions on climate policy among countries.

[3] Net Zero 2050: Refers to a scenario where the world achieves net-zero greenhouse gas emissions by 2050.

[4] RCP2.6: Represents a low-emission scenario. It assumes that stringent measures are taken globally to reduce emissions, bringing anthropogenic carbon emissions down to near zero by the end of this century, thereby effectively controlling climate change.
RCP4.5: Represents an intermediate emission scenario. It assumes that countries adopt certain emission reduction policies, allowing global carbon emissions to gradually stabilize by the end of this century.
RCP8.5: Represents a high-emission scenario. It assumes limited restrictions on emissions, with carbon emissions continuing to grow rapidly throughout this century and only stabilizing over a longer timeframe.

Flood and Tropical Cyclone Risks: Asset performance is highly robust. Test results indicate that under various scenarios, the risk value percentage of assets affected by floods and tropical cyclones remains at a low level, with limited impact on the Bank's capital adequacy.

Drought Risk: Under extreme scenarios, the long-term impact is more prominent. Test results show that in long-term and more extreme drought scenarios, the sensitivity of the asset portfolio is relatively higher. Taking RCP 8.5 (high-emission scenario) as an example, drought risk shows an upward trend over time. If temperature rise continues in the future, regional extreme droughts may put pressure on the operations of certain customers dependent on physical assets by impacting agricultural production and power supply.

The following table illustrates the risk exposure of the Bank's asset portfolio under various physical risk scenarios at different time points, reflecting the evolutionary characteristics of physical risks across climate scenarios and time dimensions.

Amount and Percentage of Assets or Business Activities Affected by Climate-related Physical Risks

Physical Risk
Value at Risk Percentage (%) & Value at Risk (RMB 10,000)

Risk Type	Climate Scenario[4]	Short-term	Medium-term	Long-term[5]
Flood	RCP 2.6	0.02% (1,959.23)	0.25% (30,925.03)	0.28% (34,654.44)
	RCP 8.5	<0.01% (946.32)	0.02% (2,219.08)	0.19% (24,257.06)
Tropical Cyclone	RCP 2.6	0.29% (36,404.82)	0.29% (36,404.82)	0.29% (36,404.82)
	RCP 8.5	0.29% (36,404.82)	0.29% (36,016.58)	-

[4] RCP2.6: Represents a low-emission scenario. It assumes that stringent measures are taken globally to reduce emissions, bringing anthropogenic carbon emissions down to near zero by the end of this century, thereby effectively controlling climate change.
RCP4.5: Represents an intermediate emission scenario. It assumes that countries adopt certain emission reduction policies, allowing global carbon emissions to gradually stabilize by the end of this century.
RCP8.5: Represents a high-emission scenario. It assumes limited restrictions on emissions, with carbon emissions continuing to grow rapidly throughout this century and only stabilizing over a longer timeframe.

[5] The time dimensions of "short-term," "medium-term," and "long-term" used in the physical risk assessment in this table are established based on physical climate models, simulating the evolution trends of extreme weather events over scientifically observed cycles. With the methodological basis for physical climate simulation differing from that of transition scenario analysis, the time scales adopted for this physical risk assessment reflect established practices in international climate science.

Physical Risk
Value at Risk Percentage (%) & Value at Risk (RMB 10,000)

Risk Type	Climate Scenario[4]	Short-term	Medium-term	Long-term[5]
Drought	Historical[6]	0.05% (6,315.00)	-	-
	RCP 4.5	-	0.00% (0)	0.00% (0)
	RCP 8.5	-	0.45% (56,052.72)	23.49% (2,924,579.36)

3. Summary of Stress Testing Analysis Results

Integrating the results of transition risk and physical risk scenario analyses, we believe that within the selected major climate scenarios and timeframes, our existing strategic positioning and business model possess strong overall climate resilience. The impact of relevant scenario shocks on asset portfolio stability and capital adequacy is relatively small, and there is no need for major adjustments to the overall business layout and operating strategy in the short term. We will continue to track the differentiated impacts across industries and regions, optimize asset structures and business orientations in a timely manner based on stress test results, and steadily increase support for green and low-carbon sectors.

In its climate resilience assessment, we also consider relevant uncertainty factors, including fluctuations in the pace and intensity of climate policy implementation, uncertainties in the development path and cost reduction speed of low-carbon technologies, differences in corporate cost pass-through capabilities, and sensitivity biases in climate models for predicting extreme disasters (such as long-term extreme droughts). These factors may affect the precision of assessment results to some extent. We will continuously improve our climate data foundation and model parameters to ensure the timeliness and scientific nature of our assessments.

From a temporal dimension, we will emphasize the monitoring and application of stress test results in the short term, continue to promote asset structure optimization and industry orientation adjustments in the medium term, and systematically enhance the adaptability and overall resilience of its business model in the long term in alignment with climate change trends and national "Dual Carbon" goals.

[4] RCP2.6: Represents a low-emission scenario. It assumes that stringent measures are taken globally to reduce emissions, bringing anthropogenic carbon emissions down to near zero by the end of this century, thereby effectively controlling climate change.
RCP4.5: Represents an intermediate emission scenario. It assumes that countries adopt certain emission reduction policies, allowing global carbon emissions to gradually stabilize by the end of this century.
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[5] The time dimensions of "short-term," "medium-term," and "long-term" used in the physical risk assessment in this table are established based on physical climate models, simulating the evolution trends of extreme weather events over scientifically observed cycles. With the methodological basis for physical climate simulation differing from that of transition scenario analysis, the time scales adopted for this physical risk assessment reflect established practices in international climate science.

[6] Historical represents modeling results based on historical simulation data to evaluate short-term drought risks.

III. Climate Risk Management Mechanism

(I) Climate-related Risk Identification and Assessment Mechanism

We attach great importance to climate-related risk management and continue to monitor the impact of climate transition risks and physical risks on our business.

Regarding risk identification, we classify and identify climate risk exposure across different regions and industries based on national "Dual Carbon" policy orientations, regulatory requirements, and regional climatic characteristics. Special attention is given to regions vulnerable to extreme weather events, as well as industries and customers facing high transition pressure.

Regarding risk assessment, we actively explore the integration of climate-related factors into existing risk management processes. Potential impacts of climate risks on customer operational stability, debt repayment capacity, and asset quality are evaluated through qualitative and quantitative analysis. Additionally, we utilize external research findings and climate scenario analysis to analyze the potential impacts of climate risks across different time horizons, identifying potential risk exposures to provide a reference for risk management decisions and business structural optimization.

● Climate Resilience Assessment

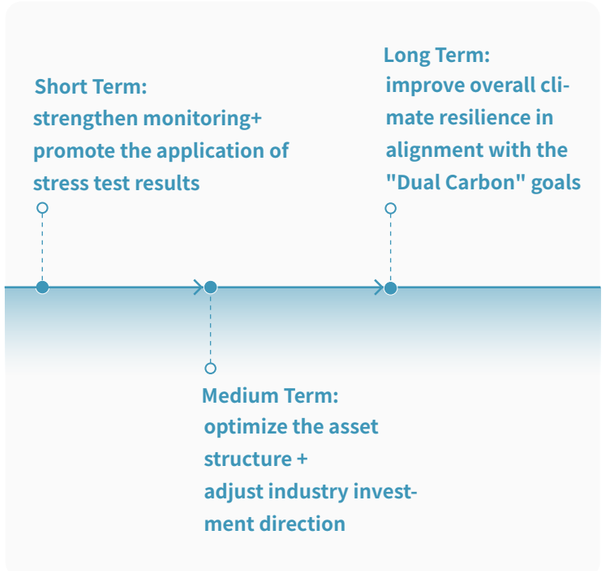
The current strategy demonstrates strong climate resilience, with minimal impact from scenario shocks, requiring no significant business adjustments in the short term.

● Risk Factor Analysis

- Transition risk scenario analysis
- Physical risk scenario analysis

● Phased Strategy

Implement monitoring in the short term, optimize the structure in the medium term, and enhance resilience to align with the "Dual Carbon" goals in the long term.



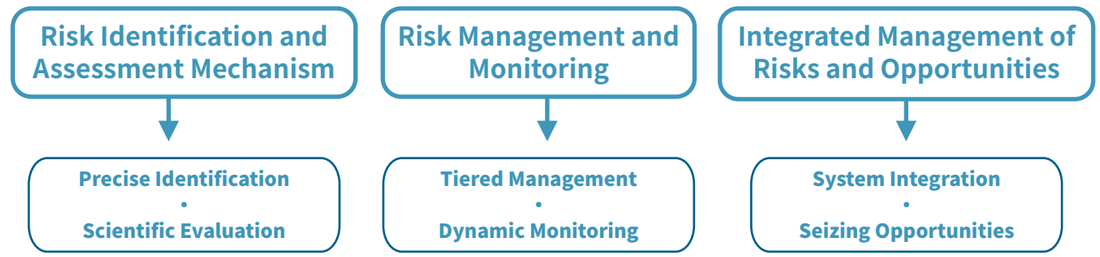
(II) Climate-related Risk Management and Monitoring

Upon completing risk identification and assessment, we prioritize relevant risks based on their potential impact on asset quality and operational stability, and gradually incorporate them into the Bank-wide risk management framework for unified management. Building on existing processes, we continuously improve relevant work arrangements, further enhancing process connectivity and information update mechanisms to support subsequent management and disclosure. At the current stage, the Bank's climate-related risks are overall at a controllable level, while prudent attention is maintained toward high-carbon industries and certain climate-risk-sensitive sectors.

We advance the dynamic monitoring of climate-related risks and optimize relevant management measures by continuously tracking climate policy dynamics, industry transition progress, and extreme weather events. We are comprehensively strengthening climate risk management capacity building and constantly improving the entire risk management mechanism from identification and assessment to monitoring.

(III) Integrated Management of Climate-related Opportunities and Risks

We are actively exploring the establishment of management mechanisms for climate risks and opportunities, promoting the alignment of identification, assessment, and monitoring processes with the comprehensive risk management system. On this basis, we explore strengthening the synergistic management of climate risk with credit, market, and operational risks, facilitating the integration of climate-related factors into the entire business management process. Concurrently, we actively seize business opportunities within the low-carbon transition trend, steadily promoting the development of green finance and continuously enhancing our operational resilience in response to climate change.





Greenhouse Gas (GHG) Emissions Accounting

Boundary of GHG Emissions Accounting

According to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, this greenhouse gas accounting adopts the operational control approach. Unless otherwise specified, the statistical scope covers Luzhou Bank Co., Ltd. as the main entity for the reporting period from January 1, 2025 to December 31, 2025.

The GHG accounting[7] covers the following emission scopes:

- **Scope 1 Direct Emissions:** Emissions from fossil fuel combustion (gasoline, diesel, natural gas) and fugitive emissions (refrigerant leakage from air conditioning).
- **Scope 2 Indirect Emissions:** Indirect emissions generated from purchased electricity (excluding purchased heat or steam).
- **Scope 3 Other Indirect Emissions:** Emissions related to upstream and downstream activities not included in Scope 1 or Scope 2. Based on preliminary identification, the Bank's Scope 3 emission categories primarily include: Category 1 (Purchased Goods and Services), Category 5 (Waste Generated in Operations), Category 7 (Employee Commuting), and Category 15 (Investment). Given the Bank's operational characteristics and data availability constraints, other Scope 3 categories have not yet been included in this accounting. The coverage will be gradually expanded in the future as data collection improves.

GHG Emissions Performance

During the reporting period

Total GHG emissions (Scopes 1・& 2)	Total direct emissions (Scope 1)	Total indirect emissions (Scope 2)
5,583.74 • tCO_2	**481.87 • tCO_2**	**5,101.87 • tCO_2**
year-on-year decrease **16.05%** ↓	year-on-year decrease **23.89%** ↓	year-on-year decrease **15.44%** ↓

Notes: To enhance the completeness of the accounting, the statistical scope for greenhouse gas emissions for the current year (2025) has been expanded to include emissions from the fugitive emissions of air conditioning refrigerants. To ensure the comparability of year-on-year data, the percentage decreases presented above are based on results recalculated using the same statistical scope as in 2024.

[7] In this report, "greenhouse gas (GHG) emissions / carbon emissions" refer to greenhouse gas emissions measured in carbon dioxide equivalent (tCO_2e). For the sake of brevity, unless otherwise specified or where ambiguity may arise, "carbon emissions" and "greenhouse gas emissions" are used interchangeably in the following text.

GHG Emissions of the Bank in 2025

Emission Scope	Indicator	Unit	2025
Scopes 1 & 2	**Total GHG Emissions (Scopes 1 & 2)**	**tCO_2e**	**5,583.74**
	Total GHG emissions per capita (Scopes 1 & 2)	tCO2e/person	2.82
Scope 1: Direct Emissions	**Total Direct Emissions (Scope 1)**	**tCO_2e**	**481.87**
	Gasoline	tCO_2e	179.70
	Diesel	tCO_2e	1.56
	Natural Gas	tCO_2e	177.69
	Fugitive refrigerant emissions	tCO_2e	122.92
Scope 2: Indirect Emissions	**Total Indirect Emissions (Scope 2)**	**tCO_2e**	**5,101.87**
	Purchased electricity	tCO_2e	5,101.87
Scope 3: Other Indirect Emissions	**Total Other Indirect Emissions (Scope 3)**	**tCO_2e**	**1,195,733.57**
	Tap water	tCO_2e	158.39
	Paper	tCO_2e	94.23
	Procurement of electronic products	tCO_2e	133.74
	Waste disposal	tCO_2e	39.78
	Employee commuting	tCO_2e	9.93
	Investment	tCO_2e	1,195,297.50

Notes: 1.The accounting methods for Direct Emissions (Scope 1) and Indirect Emissions (Scope 2) primarily refer to the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard;* the accounting methods for Other Indirect Emissions (Scope 3) primarily refer to the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard*.

2.The emission factors for Scope 1 are calculated with reference to the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* published by the Intergovernmental Panel on Climate Change (IPCC) and the *Accounting Methods and Reporting Guidelines for GHG Emissions from Public Building Operators (Trial)* published by the National Development and Reform Commission of the PRC.

3.The emission factors for Scope 2 are calculated with reference to the *Announcement on the 2023 Electricity CO_2 Emission Factors* published by the Ministry of Ecology and Environment and the National Bureau of Statistics of the PRC on December 31, 2025.

4.The emission factors for Scope 3 are calculated with reference to the *Set of GHG Emission Factors for Chinese Products Life Cycle (2022)* and the China Product Life Cycle Greenhouse Gas Emission Factor Database (CPCD).

5.Procurement of electronic products includes desktop computers, laptops, and tablets; waste disposal includes food waste and other waste.

6.Employee commuting modes include walking, subway, bus, electric private cars/taxis/ride-hailing vehicles, and gasoline-fueled private cars/taxis/ride-hailing vehicles. In collecting data related to employee commuting, the Bank conducted a sample survey covering all employees as the population. The total greenhouse gas emissions from employee commuting included in Scope 3 and the total employee commuting activity data were both extrapolated based on the sample data obtained from this survey.

Energy and Resource Consumption

Energy and Resource Consumption of the Bank in 2025

Resource Indicator	Unit	2025	YoY Decrease
Energy consumption	MWh	11,274.78	14.48%
Energy consumption per capita	MWh/person	5.70	30.91%
Direct energy consumption	MWh	1,659.49	14.45%
Gasoline consumption	MWh	764.63	15.50%
Diesel consumption	MWh	6.08	25.12%
Natural gas consumption	MWh	888.78	13.45%
Indirect energy consumption	MWh	9,615.29	14.48%
Electricity consumption per capita	MWh/person	4.86	30.97%
Tap water consumption	Ton	61,155.70	-6.94%
Tap water consumption per capita	Ton/person	30.93	13.58%
Paper consumption	Ton	53.54	5.74%
Paper consumption per capita	Ton/person	0.027	25.00%

Notes: 1.Energy consumption is converted into "MWh" using the conversion factors provided in the *Energy Statistics Manual* by the International Energy Agency (IEA).
2.The primary sources of the Bank's energy consumption are gasoline, diesel, natural gas, and purchased electricity.
3.Energy consumption data is calculated based on the consumption volume of electricity and fuels and the relevant conversion factors provided in the *Accounting Methods and Reporting Guidelines for GHG Emissions from Public Building Operators (Trial).*
4.During the reporting period, the increase in the number of employees led to a rise in total tap water consumption. However, through the continuous implementation of water-saving measures, tap water consumption per capita achieved a YoY decrease, further improving water use efficiency.

GHG Emissions Supported by Investment and Financing Activities

In accordance with the *Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004)*, we disclose Category 15 "Investment" as a critical component of Scope 3 GHG emissions. This disclosure of investment and financing carbon emissions is based on the Bank's existing corporate financing business during the reporting period. The monthly average financing amount of corporate loans included in the carbon accounting totaled **RMB 55.591** billion, with the corresponding carbon emissions from investment and financing activities totaling approximately **1.1953 million tCO_2e.** We categorize and statistic credit customers according to the *Industrial Classification for National Economic Activities (GB/T 4754-2017).* Among them, industries with high proportions of carbon emissions include construction, manufacturing, real estate, leasing and business services, transportation, warehousing and postal services, as well as wholesale and retail.



According to the *Technical Guide for Carbon Accounting of Financial Institutions (Trial),* we identify and disclose the accounting objects by dividing them into project financing business and non-project financing business.

GHG Emissions Supported by Investment and Financing Activities[8]

Indicator	Disclosure Details	Unit	2025
Project Financing Business Carbon Emissions[9]	Monthly average investment	RMB 10,000	1,234,105.95
	Supported carbon emissions	tCO_2e	161,543.55
Non-project Financing Business Carbon Emissions[10]	Monthly average financing	RMB 10,000	4,324,944.49
	Supported carbon emissions	tCO_2e	1,033,753.95
Investment and Financing Carbon Emissions RMB 50 Million[11]	Monthly average investment/financing amount	RMB 10,000	5,331,247.40
	Supported carbon emissions	tCO_2e	1,091,695.02

8 Due to limitations in the availability of greenhouse gas (GHG) emission data at the client/project level during the reporting period, the Bank adopted the sectoral carbon intensity factor method to estimate its total financed emissions. The relevant results are presented in the table "Greenhouse Gas Emissions Supported by Investment and Financing Activities." The sectoral carbon intensity factors were developed based on publicly available statistics and authoritative sources, and were applied in the estimation after being mapped to the industry classification of the Bank's financing portfolio. Going forward, we will continue to refine our data collection and accounting methodologies, progressively improving the quality and disclosure accuracy of its financed emissions data.

9 This refers to domestic project finance activities that met the criteria of being operational for a full 30 days during the reporting period. A total of 68 counterparties were included in the accounting, with their average monthly outstanding balance accounting for 99.04% of the total project finance portfolio.

10 This refers to domestic non-project finance activities for large and medium-sized enterprises that met the criteria of having an outstanding period of a full 30 days and an average monthly outstanding balance of not less than RMB 5 million during the reporting period. A total of 255 counterparties were included in the accounting, with their average monthly outstanding balance accounting for 43.47% of the total non-project finance portfolio.

11 This refers to activities that met the screening criteria for both project and non-project finance activities during the reporting period. A total of 220 counterparties were included in the accounting.

Case Studies

(1) Project Financing Business

Based on data availability, we select two project financing business cases for display. Relevant credit data is obtained from the Bank's internal business ledgers, while total project investment and project energy consumption data are sourced from project feasibility study reports. Energy consumption data is converted into project carbon emissions based on unified emission factors and conversion coefficients for this case study.

Accounting Method: The carbon emissions corresponding to the project financing business are allocated based on the ratio of the Bank's investment in the project to the total investment of the project, calculated according to the following formula:

$$E_{project_business} = E_{project} \times (V_{investment}/V_{total_investment})$$

Where:

$E_{project_business}$ — Carbon emissions corresponding to the project financing business during the reporting period, Unit: tCO_2e;

$E_{project}$ — Carbon emissions of the project during the reporting period, Unit: tCO_2e;

$V_{investment}$ — The Bank's monthly average investment in the project during the reporting period, Unit: RMB 10,000;

$V_{total_investment}$ — Total investment of the project during the reporting period, Unit: RMB 10,000.

Information of Selected Projects for Project Financing Business of Luzhou Bank

Project Name	Total Project Investment (RMB 10,000)	Carbon Emissions Corresponding to Project Energy Consumption (tCO_2e/year)	Monthly Average Investment (RMB 10,000)	Carbon Emissions Corresponding to Project Financing Business (tCO_2e)
A new energy vehicle charging infrastructure construction project	17,806.32	8,910.66	4,338.00	2,170.83
A bottle cap manufacturing project	4,400.00	659.72	1,645.32	246.69

(2) Non-project Financing Business

Based on data availability, we select one non-project financing business case for display, which belongs to the eight key industries[12] monitored by us. Relevant credit data is obtained from internal business ledgers; corporate financial information and actual energy consumption data are provided by the customer.

Accounting Method: The carbon emissions corresponding to the non-project financing business are allocated based on the ratio of the Bank's monthly average financing for the entity to the entity's total main business income.

$$E_{non\text{-}project_business}=E_{entity}\times(V_{financing}/V_{income})$$

Where:
$E_{non\text{-}project_business}$ — Carbon emissions corresponding to the non-project financing business during the reporting period, Unit: tCO_2e;
E_{entity} — Carbon emissions of the financing entity during the reporting period, Unit: tCO_2e;
$V_{financing}$ — The Bank's monthly average financing for the entity during the reporting period, Unit: RMB 10,000;
V_{income} — Main business income of the entity during the reporting period, Unit: RMB 10,000.

Information of Selected Customers for Non-project Financing Business of Luzhou Bank

Enterprise Name	Annual Carbon Emissions of the Enterprise (tCO_2e)	Main Business Income in 2025 (RMB 10,000)	Monthly Average Financing in 2025 (RMB 10,000)	Carbon Emissions Corresponding to Non-project Financing Business (tCO_2e)
A certain paper company	502,983.53	138,091.69	2,000.00	7,284.78

[12] The scope of industries covered in the accounting refers to the eight major industries and their corresponding codes as defined by the Ministry of Ecology and Environment, including: power generation, building materials, iron and steel, non-ferrous metals, petrochemicals, chemicals, papermaking, and civil aviation.



02 DEVELOPMENT

01 Technology Finance
02 Inclusive Finance
03 Pension Finance
04 Digital Finance

Luzhou Bank practices the political and people-centered nature of financial work, adhering to the principle of "tailoring measures to local conditions" to effectively implement the "Five Major Articles" of finance. By deeply integrating financial innovation with development needs and regarding the service of the real economy as its fundamental purpose, the Bank has cultivated profound expertise in the fields of technology finance, green finance, inclusive finance, pension finance, and digital finance. The Bank is resolutely committed to a path of high-quality development characterized by technology-driven transformation, warming people's livelihoods through inclusivity, activating momentum through innovation, and seeking a shared future through the industry ecosystem.

DEVELOPMENT

Technology Finance

We profoundly grasp "Technology Finance" as our core mission in providing financial services for national strategies. We thoroughly implement the decision-making and deployment of the CPC Central Committee and the State Council regarding the improvement of the financial support system for innovation, aiming to accelerate high-level self-reliance in science and technology and lead the development of New Quality Productive Forces. Closely aligning with the development needs of regional sci-tech enterprises, we fully support the implementation of the national innovation-driven development strategy through strengthening service system construction, providing exclusive precision services, and launching innovative technology finance products, contributing financial power to the construction of a strong country in science and technology.

Institutional Construction

We continuously improve technology finance institutional system to provide systemic support for technology-based enterprises:

• Formulated the *Administrative Measures for Technology Finance Loans of Luzhou Bank*: Clarified the division of responsibilities among departments, standardized business processes and risk prevention and control mechanisms, and established a priority acceptance channel for technology finance loan businesses.

• Issued the *Implementation Plan of Luzhou Bank for Serving "Specialized, Refined, Differential and Innovative" (SRDI) SMEs*: Focused on the characteristics of SRDI enterprises, optimized service models and support measures to improve the precision and adaptability of financial supply, effectively enhancing the supporting capacity for technological innovation and industrial upgrading.

Innovation of Products

Based on the operational characteristics and business models of technology enterprises,we focus on financing pain points and difficulties to develop featured financial products with high scenario applicability and demand alignment:

- **Addressing High Financing Costs:** Utilizing central bank re-lending funds for agriculture and small businesses as the source, we designed a "Central Bank Re-lending Funds + Credit Product" business model, launching preferential interest rate loan products such as "Fang Hao Dai" and "Huan Xi Dai."
- **Addressing Collateral Deficiencies:** Developed pure credit loan products with "no guarantee, no mortgage," such as "Shui Jin Dai" and "Piao e Dai."
- **Addressing Diverse Business Scenarios:** Innovatively designed supply chain financing products such as "E Lu Dai" and "Le Ye Dai."
- **Addressing Asset-light and R&D-heavy Characteristics:** Exploring new types of pledge financing, we launched "Zheng Cai Dai" pledged by accounts receivable and innovatively conducted patent right and equity pledge loan businesses.
- **Addressing Urgent Demand, Fast Turnover, and Short-term Fund Use:** Launched revolving loan products such as "Tian Tian Dai C" featuring "one-time credit authorization, borrow and repay at any time."

Service System

"Five Specials and Three Priorities" Special Services Empowering SRDI Enterprises

Regarding the financing pain points of SRDI enterprises, we formulated "Five Special" support policies (special loan quotas, special guarantee measures, special expert guidance, special service teams, and special assessment mechanisms), while providing "Three Priority" services: priority acceptance, priority approval, and priority disbursement.

"One Case, One Discussion" Consultation Mechanism

We established a "Consultation Mechanism" on a case-by-case basis, mobilizing industry experts across regions and business lines to jointly analyze and study the entry points for financial services, effectively resolving the contradiction between enterprise demand and bank risk control, and promoting rapid financing implementation.

Government-Bank-Enterprise Synergy to Deepen Intellectual Property (IP) Pledge Financing

We actively respond to the *Implementation Plan for Special Actions on Patent Transformation and Utilization in Luzhou (2024—2025)*, establishing deep cooperation with government departments, industrial parks, and guarantee institutions to form a positive cycle of "Policy Guidance, Financial Empowerment, and Enterprise Benefit." Simultaneously, we have settled in the Luzhou Enterprise Comprehensive Service Center, working collaboratively with the Intellectual Property Protection Center and Public Legal Service Center to provide "one-stop" services from IP evaluation and pledge registration to loan disbursement.

By the end of the reporting period, we had disbursed RMB 85.30 million in Intellectual Property (IP) pledge loans to 14 enterprises, covering multiple industry fields such as new materials, electronic information, and equipment manufacturing.

By the end of the reporting period

RMB 85.30 million

in IP pledge loans to 14 enterprises

Case

First IP Pledge Loan in Naxi District, Supporting Sci-Tech Enterprise Development

In Naxi District, we successfully implemented the first IP pledge loan in the region, providing RMB 3 million in patent right pledge financing for a technology company. With the extreme efficiency of "same-day approval and same-day disbursement," we effectively solved the enterprise's funding needs for plant renovation and equipment purchase. This business represents a vivid practice of government-bank synergy in helping sci-tech enterprises convert "intellectual property" into "assets."

Case **Innovative "Patent Pledge + Credit Loan" Combination Supporting National SRDI Enterprises**

In Longmatan District, we used an innovative financial model to help a national SRDI enterprise resolve financing difficulties. Addressing the bottleneck where the machinery company's real estate had already been pledged to other banks, we flexibly adopted a combination of "6 patent pledges + credit loan" to provide RMB 10 million in low-interest loans. This was used to replace existing high-interest mortgaged liabilities, optimizing the enterprise's debt structure and helping the enterprise operate more efficiently.

Inclusive Finance

Luzhou Bank adheres to the business purpose of "Serving Local Areas and Serving SMEs," resolutely assuming the mission of being a major force in local finance. We anchor our service focus on the two key areas of small and micro enterprise (SME) growth and rural revitalization, continuously increasing resource tilting to inject "living water" into local economic development. Simultaneously, we actively build a digital inclusive finance service system, allowing financial resources to more accurately irrigate the "capillaries" of the real economy, demonstrating Luzhou Bank's depth, warmth, and professional height in serving the overall situation.

Empowering Rural Revitalization

Implementing Rural Assistance Responsibilities

Actively Dispatching Assistance Forces. We selected a total of five outstanding personnel for village assignments: one team member each for Sanhe Village (Gulin County), Fenglin Village (Xuyong County), and Tiantang Village (Xuyong County), and one First Secretary each for Shuping Village and Qiaotian Village (Xuyong County). This ensures that assistance forces are effectively deployed to play a supporting and leading role at the grassroots level.



Formulating Assistance Work Plans. Tailoring plans to the actual conditions of each assisted village, we formulated annual assistance work plans and established "Three Lists": a Task List, a Project List, and a Fund List, clarifying goals, implementing responsibility division, and ensuring resource availability.

Accurately Solving Assistance Pain Points. During the reporting period, we conducted full-coverage research on the difficulties and problems of the 5 assisted villages. Addressing infrastructure shortcomings identified in the research, such as road maintenance and the construction of forest fire corridors, as well as livelihood development needs like the construction of bacon processing plants, we actively coordinated and integrated resources to provide financial support, taking effective measures to solve the pain points and difficulties in the development of each village, thereby enhancing the precision and effectiveness of assistance work.

Improving Agriculture-related Credit Services

We continue to guide financial resources to accurately irrigate the "Three Rural Issues" (agriculture, rural areas, and farmers) field through the formulation of differentiated credit policies and the innovation of credit products, supporting agricultural development and rural construction with practical actions.

As of the end of 2025, the Bank's balance of agriculture-related loans was RMB 12.426 billion, an increase of RMB 641 million from the beginning of the year, with a growth rate of 5.44%; the balance of inclusive agriculture-related loans was RMB 2.329 billion, an increase of RMB 135 million from the beginning of the year, with a growth rate of 6.15%.

Agriculture-related Credit Service Assurance

Establishing a "Green Channel" to enhance the efficiency ofinclusive agriculture-related credit services.

For credit business involving agriculture-related entities, all institutions shall provide priority handling and rapid approval to effectively improve the operational efficiency of the "Green Channel" for agriculture-related credit business, elevate credit service quality, and efficiently meet the financing needs of agriculture-related entities.

Lowering internal fund transfer pricing to incentivize the effective disbursement of inclusive agriculture-related loans.

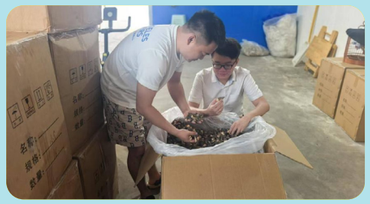
To fully mobilize the marketing enthusiasm of branches, we lowered the Internal Fund Transfer Pricing (FTP) for agriculture-related loans by 70BP from the previous year's basis, thereby reducing their capital occupancy costs.

Setting non-performing loan (NPL) tolerance and implementing differentiated risk control.

A tolerance standard for the NPL rate of agriculture-related loans was set at no higher than 2.8% (inclusive); the tolerance standard for the NPL rate of inclusive agriculture-related loans was set at no more than 3 percentage points (inclusive) higher than the NPL rate of all loans.

Case **"Jun Wang Dai" Supporting the Morel Mushroom Industry, Financial Resources Nourishing Mushroom Towns**

The morel mushroom industry in Jintang County, Sichuan, has outstanding industrial scale and brand value. However, fund demand is concentrated during peak harvest season. Traditional credit, due to long processes and heavy reliance on collateral, finds it difficult to adapt to the "short, flat, and fast" turnover characteristics of the industry. Local mushroom merchants generally faced "financing difficulties and high costs," restricting business development.



To solve this problem, the Bank, together with the local government, innovatively launched the exclusive credit product "Jun Wang Dai." Based on credit status without the need for mortgage or guarantee, the product adopts a "Tidal Pricing" mechanism, dynamically adjusting interest rates according to the industry's peak and off-peak seasons to precisely match financing costs with business cycles. As of the end of the reporting period, "Jun Wang Dai" had cumulatively disbursed over RMB 35 million, significantly reducing the financing costs of mushroom merchants and driving an average annual sales growth of 40% for the benefited merchants.



Optimizing Rural Financial Services

Rooted in the actual needs of rural areas, we continue to extend the focus of our services downward. Utilizing rural service points as carriers, we focus on villagers' practical problems such as "long travel distances, handling difficulties, and few service touchpoints." Through measures such as extending the service network, strengthening government-bank synergy, upgrading service equipment, optimizing service modes, and integrating into rural scenarios, we deliver financial services directly to the rural frontline and deeply embed them into rural life, thereby enhancing the standard of basic rural financial services.

1. Expanding Rural Financial Service Coverage

We adhere to the coordinated development of physical and online channels, continuously improving the three-level financial service layout of county, township, and village. Since promoting the downward extension of rural financial services in 2018,we have continuously optimized the layout of rural service points, strengthened cooperation with local governments and village collective economic organizations, and integrated policy, channel, and information resources to improve the adaptability of financial services to rural needs. This has led to the gradual formation of a rural financial service network centered in Luzhou and radiating to surrounding areas.

As of the end of the reporting period:

Large-scale coverage within Luzhou City: We established a total of 75 bank card rural service points across the rural areas of Hejiang, Gulin, Luxian, Xuyong, and Naxi, achieving a 75% township coverage rate in these five districts/counties.

Active network expansion beyond the region: In the neighboring Meishan City, we established 9 service points and established efficient contact channels with 13 towns through deep cooperation. This explored an effective path for the cross-regional coordinated development of financial services and reduced the need for villagers to travel long distances for cross-regional errands.

2. Innovatively Launching the "Rural Revitalization Card"

The "Rural Revitalization Card" is a featured bank card specifically designed by the Bank to support rural revitalization and satisfy the financial needs of rural residents. It provides exclusive benefits for rural residents, including the waiver of card issuance fees, annual fees, SMS service fees, and inter-bank withdrawal fees. Simultaneously, it offers value-added services such as agriculture-related insurance benefits and high-speed rail catering privileges to enhance the sense of gain and experience of rural customers.

As of the end of the reporting period, a cumulative total of over 10,000 Rural Revitalization Cards had been issued.



3. Upgrading Service Equipment

To further improve the standardization, security, and convenience of rural financial services, we continue to optimize the functions of rural service terminals. We promote the application of a new generation of rural withdrawal equipment capable of recording banknote serial numbers and retaining transaction information, effectively reducing counterfeit currency risks and transaction disputes during cash circulation, and creating a more secure, transparent, and trustworthy rural financial service environment.

4.Improving the Facilitation of Rural Financial Services

Integrated Service Mode: Addressing the high number of rural elderly and the inconvenience of using digital tools, we fully promote an integrated online-offline and proactive door-to-door zero-distance service model. Relying on rural terminals, mobile exhibition, and the "Xiaolu Cloud Hall" platform,we deliver basic services such as inquiries, transfers, social security card activation, and social security payments directly to villagers. Through on-site instruction and optimized operation processes, we use attentive service to eliminate digital barriers and make financial services warmer and closer to the people.

Flexible Response to Needs: Recognizing the concentration of villager errands during market days and holidays, we practice the service philosophy of "being available on-call and delivering on promises." Through measures such as proactive adjustment of service hours and the combination of station-based or appointment-based handling with door-to-door services, we respond flexibly to villagers' needs and provide efficient and convenient financial services.

5. Building Comprehensive Service Fronts

We actively promote the transformation of rural service points from single transaction venues into comprehensive service hubs. Centering on needs such as rural governance, livelihood services, and financial security, we promote the deep integration of financial services with rural life through services such as policy publicity, information consultation, and anti-fraud knowledge popularization. This improves villagers' financial literacy and risk prevention awareness, constructs a comprehensive service scenario of "finance + government affairs + livelihoods + knowledge publicity," and strives to create warm and trustworthy "Village-gate Banks" for villagers.

Case **"Xiaolu Book House" Model Empowering Cultural Revitalization and Talent Cultivation**

At the Tongxing service point in Luxian County, we collaborated with the Yusi Town Government to co-build the "Xiaolu Book House" to satisfy the spiritual and cultural resource needs of rural children, particularly left-behind children. By configuring over 1,000 quality books and coordinating activities such as "Weekend Classrooms" and reading sharing sessions, the initiative serves over 2,000 students in the vicinity. This model uses financial power to nourish rural cultural roots and protect the healthy growth of the next generation. The "Xiaolu Book House" model has received high praise from local governments, schools, and residents, forming a sustainable and replicable public welfare brand.



Case **"Home of Honored Veterans" Action, Warming Elderly Veteran Families**

In Luzhou, a "National Model City for Double Support," we collaborated with the Veteran Service Station at the Yaoba service point in Hejiang to create the "Home of Honored Veterans." We innovatively carried out public welfare photography activities titled "Everlasting Glory, Warm Inheritance" to record honorable moments for elderly veteran families, while integrating financial knowledge sessions on preventing telecom fraud and identifying counterfeit currency. This service point has extended payment services into a civilized window that consolidates community sentiment and promotes positive values, representing a warm practice of financial services supporting national defense and promoting harmonious grassroots governance.

Case **Meishan Branch "Village-Bank Co-governance" New Model Based on Rural Service Points**

Meishan Branch takes "Village-Bank Co-governance" as its core concept, establishing rural service points as comprehensive service base stations rooted in the countryside. Through a "three-in-one" approach of "hardware sinking, service extension, and talent cultivation," the Branch has opened the "last mile" of rural financial services.

The Branch upgraded the "convenience withdrawal points" (previously operated in partnership with individual merchants) into a new "Village-Bank Co-governance" model in cooperation with village collective economic organizations. By integrating administrative and financial resources, the Branch expanded its service coverage and directly generated annual income increases for the village collectives, achieving unity between commercial and social benefits. Each station is equipped with a financial knowledge publicity area and conducts regular activities on local "Market Days" and traditional festivals. Simultaneously, the Branch collaborated with local governments to train local villagers to serve as "Rural Revitalization Financial Service Liaisons," making them permanent financial publicity officers and service helpers in the villages. This has simultaneously improved the accessibility and professionalism of rural financial services from both the hardware and software perspectives.



Meishan Branch Rural Assistance Group was awarded the honorary title of "Rural Revitalization Assistance Group"



Assisting Small and Micro Enterprises

We adhere to the business purpose of "Serving Local Areas and Serving SMEs," deeply implementing the "Double Small Strategy" which focuses on "small industries and small enterprises." Focusing on industries related to livelihood needs such as clothing, food, housing, and transportation, we formulated specific growth targets for inclusive small and micro credit and prioritized the allocation of resources. We focus on small and micro enterprise loans with a total single-account credit limit of under RMB 10 million and strengthen support for first-time loans, credit loans, renewed loans, and mid-to-long-term loans. We continuously drive the reduction of comprehensive financing costs for small and micro enterprises and further increase financial support for private small and micro entities.

As of the end of 2025, the Bank's balance of small and micro loans was RMB 70.924 billion, accounting for 57.14% of total loans.

By the end of 2025

RMB 70.924 billion	57.14%
in balance of small and micro loans	of total loans

"Hui Rong Tong" Center – Deepening Small and Micro Financial Services

The Bank's specialized small and micro loan agency—the "Hui Rong Tong" Small and Micro Loan Center—deeply cultivates the field of small and micro financial services, implementing support for the operation and development of small and micro enterprises and assisting the high-quality development of the local real economy.

Since its establishment 8 years ago, the "Hui Rong Tong" Small and Micro Loan Center has cumulatively provided financing services to over 42,000 small and micro enterprise owners and individual industrial and commercial households, with a cumulative disbursement amount exceeding RMB 25.4 billion. It has supported the development of a large number of small and micro enterprises from industries closely related to people's livelihoods, such as wholesale and retail, catering, manufacturing, furniture and building materials, small trade, logistics and transportation, and medical and health services.

During the reporting period, the loan balance of the "Hui Rong Tong" Center was over RMB 6.8 billion, with an average loan amount of approximately RMB 680,000 per household. Through a "small and decentralized" disbursement strategy, the center not only benefited more small and micro enterprises but also balanced risk control, achieving sustainable development.

"Hui Rong Tong" Center

over 42,000	over RMB 25.4 billion
clients provided with cumulative financing services	in cumulative disbursed amount

During the reporting period

over RMB 6.8 bilion	approximately RMB 680,000
in loan balance of "Hui Rong Tong" Center	in average loan amount per household

Strengthening Financing Docking for Small and Micro Enterprises

Actively implementing the financing coordination work mechanism. We established dedicated work task forces for small and micro enterprise financing coordination at both the Head Office and branch levels, achieving close linkage. The Head Office task force actively interfaced with industry associations such as the liquor association, automobile trade association, and catering association to carry out bank-enterprise docking activities and gain an in-depth understanding of the actual financing needs of small and micro enterprises. The information was then pushed to the branches for timely follow-up and resolution of problems. Meanwhile, district and county branches actively joined local government task forces and conducted the "Visit to a Thousand Households and Ten Thousand Enterprises" activity to ensure that loans are granted whenever possible and as quickly as possible to eligible enterprises.

Fully utilizing online financing service platforms. We actively use the People's Bank of China's "Tianfu Credit Connect" platform to release its own credit product information, accurately docking with the financing needs of small and micro enterprises and continuously strengthening the cultivation of financing for these entities.

Reducing Financing Costs for Small and Micro Enterprises

We actively use a series of policies and fee reduction measures to continuously lower the financing costs for small and micro enterprises.

Actively seeking low-cost funds. We fully utilize low-cost funds such as central bank re-lending for agriculture and small businesses and on-lending from policy banks. We also reduce our own liability costs through the issuance of small and micro financial bonds and the securitization of small and micro enterprise loan assets, thereby driving down interest rates for small and micro enterprise loans.

Actively participating in provincial policy-based special loans. During the reporting period, we were successfully selected as a partner bank for Sichuan Province's "Tianfu Series Industry Loans," securing provincial interest subsidy funds equivalent to 1.5% of the loan amount for small and micro enterprises. This effectively transmitted policy dividends directly to these enterprises. **We have implemented the province's first "Tianfu Sports Loan," the first batch of "Tianfu Sci-tech Innovation Loan" and "Tianfu Cultural Industry Loan," as well as the city's first "Tianfu Manufacturing Subsidy Loan," "Tianfu Service Assurance Loan," and "Tianfu Foreign Trade Loan,"** with actual interest rates for enterprises as low as 2.1% after subsidies.

Continuously waiving service fees for small and micro enterprises. We strictly standardize all service charges, waiving fees such as account opening fees and account management fees for small and micro enterprises.

Increasing Resource Tilting for Small and Micro Credit

Delegating loan approval authority. Approval authority for new small and micro loans under RMB 10 million has been delegated to branches to improve efficiency, with the fastest cases achieving same-day application and same-day disbursement, accurately meeting the "short, frequent, and fast" financing needs of small and micro enterprises.

Relaxing the collateral mortgage rate. Based on the mortgage rates specified in the Collateral Management Catalogue, we relaxed the mortgage rate for real estate and land corresponding to inclusive small and micro enterprise loans by 10%, effectively increasing their credit limits.

Implementing differentiated appraisal measures. During performance appraisal, the Internal Fund Transfer Pricing (FTP) for business lines dedicated to inclusive small and micro enterprise loans is 20BP lower than that for other business lines, fully mobilizing the enthusiasm for processing inclusive small and micro business.

Implementing Loan Renewal Policies for Small and Micro Enterprises

The Bank continuously improves the management of loan renewal business, optimizes credit products and business processes, and earnestly implements the "Non-repayment Loan Renewal" policy for small and micro enterprises to solve their debt turnover problems.

Improving the management of loan renewal business: During the reporting period, we issued a supplementary notice to the Administrative Measures for Small and Micro Enterprise Loan Renewal Business of Luzhou Bank. While maintaining standardized management, we simplified application materials and relaxed renewal conditions to further strengthen the principle of "renewing whenever possible" and improve the efficiency of support.

Optimizing credit products and business: We optimized several credit products and businesses that support loan renewal without repayment of principal, allowing enterprises to apply for renewal before their loans expire. This satisfies their long-term funding needs and assists their stable development.

Case Supply Chain Finance Empowering Xuyong Traditional Chinese Medicine (TCM) Industry

Luzhou Bank Xuyong Branch deeply serves local featured industries. Addressing the fund turnover difficulties faced by a TCM enterprise in Jiangmen Town, Xuyong County, the Branch provided a precise and efficient financial solution. The enterprise faced short-term liquidity pressure because upstream procurement required cash settlement while downstream sales had long payment collection cycles. To solve this problem, the Branch innovatively used a supply chain finance model, taking the enterprise's accounts receivable from high-quality downstream companies as pledge. A dedicated credit product was quickly matched, and the disbursement of a RMB 10 million loan was completed within 5 working days, ensuring the stable operation of the local TCM industrial chain.

Case "Shui Jin Dai" Driving the Development of Hejiang Bamboo and Wood Industry

The production start-up of a new plant for a Chongqing paper company led to a surge in orders and a liquidity shortage for its two major upstream suppliers. Luzhou Bank Hejiang Branch, based on the enterprises'tax credit status, rapidly disbursed "Shui Jin Dai" (Tax Loan) amounts of RMB 2.30 million and RMB 3.39 million to the two suppliers. These funds were specifically used for raw material stockpiling and capacity expansion, safeguarding the stability of the local bamboo and wood industrial chain. This move not only directly supported the delivery of corporate orders but also drove the addition of approximately 180 local jobs and increased the income of over a thousand farming households, effectively boosting the sustainable development of featured county industries.

Pension Finance

Luzhou Bank profoundly practices the people-centered nature of financial work, regarding the enhancement of vservice quality and efficiency for the elderly as a powerful tool for developing pension finance. Taking the construction of an elderly-friendly bank as its orientation, we focus on the practical needs of the elderly in South Sichuan. We have systematically constructed an "Age-appropriate Financial Service Ecosystem" covering both online and offline channels to create a caring, convenient, and safe financial service experience, substantively enhancing the sense of gain and happiness of the elderly.

Age-appropriate Service Construction

Age-appropriate Mobile Banking

To address the four major barriers of "daring not to use," "knowing not how to use," "inability to see clearly," and "difficulty in seeking help" encountered by elderly customers using mobile banking, we launched the "Care Version" based on its original mobile banking App. This allows users to switch between the standard and elderly versions with one click, actively exploring a new "Elderly Assistance + Scenario-based Service" operating model.

Highlights of the Elderly Version Mobile Banking:

1.Intelligent Guidance: For customers over 60 years old downloading and logging into the mobile banking App for the first time, an automatic pop-up window will guide them to switch to the "Care Version."

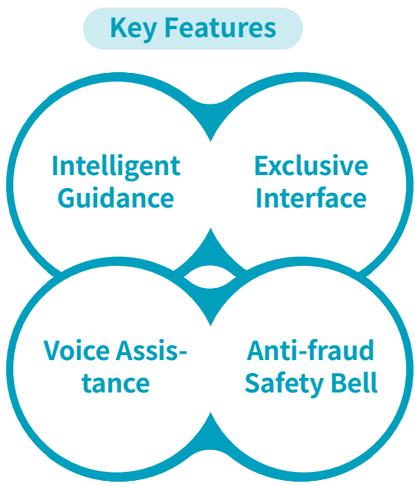
2.Exclusive Interface: The layout is clear and concise, with enlarged icons and text, and supports font size adjustment. Focusing on the "commonly used and sufficient" needs of the elderly, it retains core functions such as account inquiry, transfers, deposits, wealth management, utility payments, and point-based benefits.

3.Voice Assistance: The version supports voice recognition for rapid navigation to functions and provides voice broadcasting and screen-reading services on all pages to enhance operational convenience.

4.Anti-fraud Safety Bell: Elderly customers can establish a binding relationship with their children via mobile banking. When a transfer is initiated by the elderly user, it requires verification and confirmation from the child's end, adding a familial defense line for fund safety.







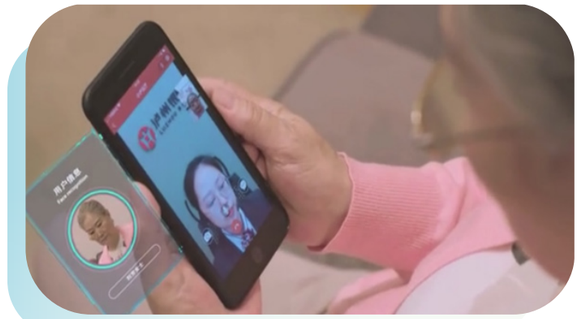
Convenient Business Handling Services

To resolve difficulties faced by elderly users in using intelligent services, we have launched several featured convenient services while retaining traditional counter services.

Customer Service Hotline Shortcut: When elderly customers over 60 call the service hotline, the system automatically identifies them by their phone number, skipping voice menus and connecting directly to a human agent to enhance their service experience.

Appointment-based Door-to-door Services: By calling the service hotline or making an appointment via WeChat QR code, we provide on-site financial services such as mobile card issuance, risk assessment, and wealth management contract signing, solving the "difficult, distant, and fearful" issues of handling business.

Online Service Zone for the Elderly: A specialized service zone has been established in the online business channel "Xiao Lu Cloud Hall." Elderly customers can access "face-to-face" consultations and remote processing through video customer service, enjoying the convenience of staying at home.



Age-appropriate Improvement of Business Outlets

We continue to promote the age-appropriate and barrier-free upgrade of its business outlets. By optimizing the environment, improving facilities, and retaining traditional services, we substantively enhance the accessibility, convenience, and comfort of financial services for elderly customers.

- Functional zones in outlets are more scientifically organized with reasonable pathways, effectively solving the inconvenience of entry and exit for elderly customers.
- All 41 business outlets are equipped with barrier-free channels as standard. Convenience service areas are uniformly provided with senior-friendly items such as priority seating, reading glasses, magnifying glasses, wheelchairs, rain gear, and mobile charging stations.
- All outlets retain traditional manual counters and have established dedicated "Priority Windows" and "Green Channels" for elderly customers to provide priority service and eliminate concerns regarding handling business.



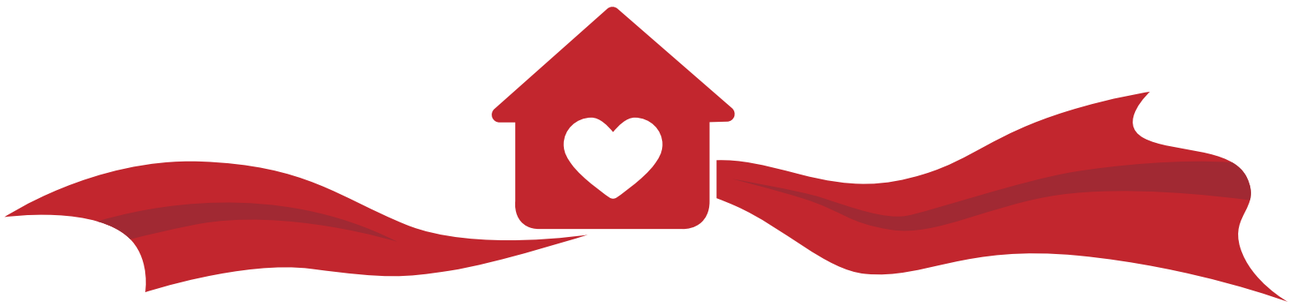
Enhancing Age-appropriate Service Quality and Efficiency



Compiled and implemented the *Age-appropriate Service Manual*, clarifying business safeguard measures, processing flows, and service terminology standards for elderly customers to enhance service quality.



Dedicated "Age-appropriate Service Specialist" positions are set up in the service halls of all outlets to provide exclusive accompaniment-style services.



Implemented the "Three Service Cards" initiative, uniformly equipping outlets with Information Exchange Cards, Non-verbal Prompt Cards, and Elder-respecting Prompt Cards. This improves communication efficiency and experience, effectively ensuring the normal processing of business and enhancing elderly customers' satisfaction in financial service scenarios.







Age-appropriate Service Capacity Building

To optimize the service experience and enhance the elderly-service standards of staff, we organized specialized training for all branches. Through in-depth explanations of real-world scenarios, employees gained a profound understanding of the connotation of age-appropriate services, translating them into professional, enthusiastic, and caring actions.

Monitoring queuing dynamics for elderly customers to prevent them from missing their turn due to hearing loss or slow mobility;

Focusing on the business needs and movement trajectories of elderly customers in halls, proactively providing guidance and reminders, particularly by strengthening risk prompts and secondary confirmations during transfers and withdrawals;

Enhancing the counter service experience by incorporating caring services when processing elderly customers' business. Staff proactively inquire, remind, and appropriately extend calling intervals, ensuring customers complete operations smoothly while receiving necessary risk prompts.

"Age-appropriate" Activities and Financial Literacy Popularization

To align with the interests and needs of elderly customers, we conducted thorough research prior to organizing activities. We launched a series of age-appropriate themed activities such as "Craftsmanship Paper-cutting for Original Aspirations," "Besties' Photo Studio," and "Women' s Unique Beauty, Blooming Together," aiming to enhance the happiness and social participation of the elderly.

Addressing the weak knowledge links of the elderly, we continuously carry out financial literacy campaigns on topics such as digital intelligent finance and the prevention of telecommunications fraud. Through these activities, we strive to bridge the "Digital Divide" and assist the elderly in overcoming barriers to using intelligent services. Simultaneously, we work to build a "Safety Defense Line" to enhance their ability to identify and prevent financial risks, substantively protecting the "money bags" of the elderly.





Case **Luzhou Bank's "Senior Canteen" Public Welfare Meal Assistance Service**

In collaboration with the Luzhou Civil Affairs Bureau, the Bank launched the "Senior Canteen" public welfare meal assistance service, providing subsidies for seniors over 60. On top of the government subsidy for each meal, seniors holding Luzhou Bank cards can enjoy an additional 50% discount on "Luzhou Bank Day" each week.

By the end of the reporting period, the project had been implemented in 3 community canteens, serving over 1,500 person-times, effectively reducing the living burden of the elderly.

Simultaneously, the Bank uses the canteen scenarios to conduct anti-fraud publicity and health consultations, extending financial services into the community senior living circle and enhancing their sense of gain and happiness.

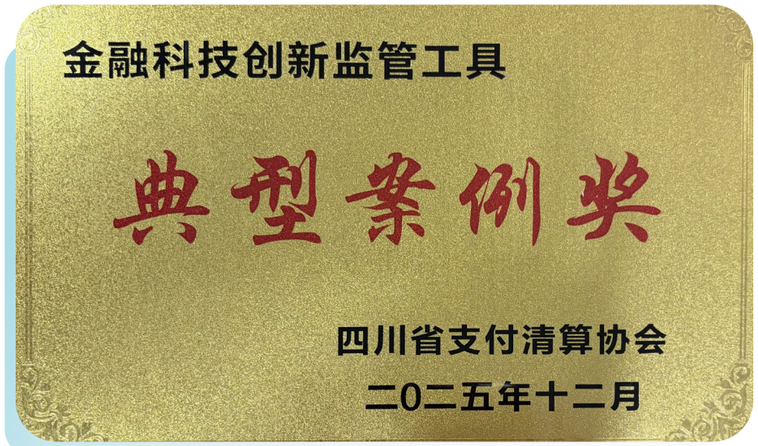




Digital Finance

Luzhou Bank profoundly grasps the era opportunities of digital economy development. We fully implement the guidance of the People's Bank of *China's Fintech Development Plan (2022—2025)*, regarding digital finance as the core engine for high-quality development and deeply integrating it into the Bank's strategic layout. Driven by Fintech and focusing on key directions such as technical architecture upgrades, strengthened data governance, and scenario ecosystem expansion, we continue to drive the deep integration of Fintech innovation with business to enhance digital momentum and serve the "Digital Finance Article" with high quality.

2025 Digital Finance Honors



The Bank was honored by the Sichuan Payment and Clearing Association with the

"Typical Case Award for Fintech Innovation Regulatory Tools".

The Bank's "Mobile Banking" was recognized by the Electronic Banking Network in the

"2025 Digital Bank Selection Light: Mobile Banking Leapfrog Growth Pioneer Case".



The Bank's "Corporate Mobile Banking" was recognized by the Electronic Banking Network in the

"2025 Digital Bank Selection Light: Mobile Banking Smart Operation Excellence Case".

Digital Management

Digital Finance Organizational Structure

- The Data Governance Committee was established under Senior Management as a decision-making body to coordinate the strategic implementation of the "Digital Finance Article." The Head Office Data Management Department was designated as the centralized management department with specialized positions.
- The Head Office Data Management Department took the lead in formulating the digital transformation plan and implementation scheme, clarifying the division of responsibilities among departments to ensure the orderly progress of digital transformation tasks.

Digital Technology Capability Building

Building a Cloud Computing Platform: Based on the Huawei Cloud foundation, we completed the construction of a distributed cloud computing platform, achieving the migration of 23 information systems to the cloud.

Advancing DevOps Integration: By integrating tools and components for code management, artifact management, testing, security control, and cloud platforms, we constructed an integrated DevOps platform. We promoted standardized and automated R&D pipelines with continuous integration and continuous delivery (CI/CD) capabilities, achieving unified tools, standardized processes, online management, and visible data in software development.

Constructing an Integrated Credit Business Platform: We continued to build our credit platform, completing the deep integration of the corporate credit management system and the retail credit management platform. This achieved the goal of unified limit and customer management across the entire Bank and promoted the paperless and online operation of credit business.

Releasing Data Factor Productivity

- Strengthening quality control, releasing multiple standards, and establishing a rule base to comprehensively enhance data value;
- Expanding application scenarios and constructing a technical support system to drive data integration and stimulate innovation vitality;
- Strictly adhering to the security bottom line and building a full-process protection system to ensure the stable operation of data;
- Constructing dual-active data centers, optimizing disaster recovery architecture, and improving O&M monitoring to enhance infrastructure efficiency, injecting powerful momentum into sustainable development.

Enhancement of Digital Management Standardization

- Introducing international standard management systems such as PMBOK and ITIL to optimize software project management and O&M processes, ensuring the orderly development of software management bank-wide.
- Formulated 4 corporate standards: *Standard for Centralized Operations of Luzhou Bank, Standard for Electronic Vouchers of Luzhou Bank, Basic Requirements for Luzhou Bank Business Outlet Services*, and *Application Service Standards for Luzhou Bank Mobile Financial Clients*, enhancing the Bank's internal standardization capabilities.

Service Ecosystem

Digital-Real Integration, Serving the Real Economy

We fully leverage the empowering role of digital finance to assist local high-quality economic development with practical actions. Focusing on regional advantageous industries and Luzhou's industrial characteristics, we regard key groups such as SRDI (Specialized, Refined, Differential and Innovative) and technology-based SMEs as core service targets, continuously optimizing credit products and service processes to support the growth of regional innovation subjects with professional services.

Government-Bank Synergy, Co-building "Digital Luzhou"

The Bank deeply integrates into the digital development of Luzhou City, coordinating with the local government to empower livelihood areas with digital financial services and jointly promote the construction of "Digital Luzhou." We assist in building and improving a convenient, efficient, and inclusive community service ecosystem to substantively enhance the convenience and satisfaction of Luzhou citizens' lives.

Education: Jointly built an "Education Payment + Finance-Tax-Voucher Integrated Platform" with district/county governments, integrating education fees, non-tax revenue, tax invoices, and electronic vouchers. This provides full-process management for online fees, automatic transfers to specialized financial accounts, and digital voucher archiving, effectively broadening payment channels and standardizing fee management.

Healthcare: Jointly operating the "Healthy Luzhou" internet medical platform with the Health Commission and medical institutions, integrating internet hospital systems. Digital technologies such as cloud computing and big data are utilized to create a smart healthcare ecosystem, optimizing medical processes and improving patient experience.

Social Security: Relying on the social security tax-bank system, the Bank provides multi-channel payment services including counters, self-service terminals, and mobile banking. Through the unified customer information management system and mobile CRM App, we achieve digital lifecycle management and service support for customers, enhancing the efficiency and experience of social security and related financial services.

Case **Building the "Smart Trade Online Payment" System to Empower the Digital Transformation of Luzhou Southwest Trade City**

As a modern comprehensive trade and logistics center key to the Luzhou Municipal Government, Southwest Trade City previously used traditional, inefficient methods for fee collection and reconciliation. To address this, the Bank partnered with the Trade City to build the "Smart Trade — Online Payment" system, helping the enterprise reduce costs and increase efficiency through digital means. Integrated into the Luzhou Bank Mobile Banking App, the system enables the management party to collect fees online from over 20,000 merchants. Real-time processing and automatic bill generation have greatly improved financial management efficiency. Simultaneously, it allows for proactive identification and real-time response to the financial needs of merchants, transforming passive waiting into proactive service, enhancing response efficiency for financing, and substantively assisting the stable operation of the business circle and its merchants.

Product Innovation

To promote the Bank's digital strategic transformation and create a new type of digital bank with internet genes and integrated online-offline services, we utilize advanced technologies such as AI, cloud computing, big data, and biometrics. Grounded in the present and looking to the future, we have built a "Digital Finance" service system with Luzhou Bank characteristics to fully enhance service efficiency and customer experience.

Upgrading the Credit System: We promoted the integration and upgrade of our credit system capability center, continuously enhancing product iteration speed and online service capabilities. We respond rapidly to customer financing needs, with most loans processable within 2 hours.

Driving Online Operations: We continue to build online service channels such as "Xiao Lu Cloud Hall," "Bank to Home," "Video Interview," and "Electronic Banking." New functions such as one-click card binding for third-party payments (WeChat, Alipay, Douyin) and mobile number maintenance have been added. As of the end of the reporting period, the Bank's comprehensive online business rate reached 95.13%, a year-on-year increase of 0.89 percentage points.

Improving the Financial Accessibility Service System: We implemented "uncommon character" renovation for 31 information systems, achieving full coverage of customer-facing systems to facilitate business handling for customers with uncommon characters and substantively protect their financial service rights.

Digital Service

The Bank persists in deeply integrating Fintech into product innovation and service upgrades, continuously expanding its digital service matrix including online credit, age-appropriate services, remote video banking, mobile exhibition, and acquiring platforms to comprehensively enhance the coverage, accessibility, and satisfaction of financial services.

Product Name	Core Functions and Service Highlights	Key Achievements
"Luzhou Bank Direct Bank" WeChat Mini-program, Lu Bei Er App	Provides full online loan services through multiple entries, achieving cloud deployment, 7×24h real-time response, and intelligent risk control.	Formed a credit service matrix characterized by "diversified entries, integrated service, and instant response," driving the growth of inclusive small and micro loans.
Le Ye Dai	Based on supply chain data of agriculture-related core enterprises, utilizes OCR and machine learning to provide online, customized credit loans for downstream customers.	By the end of 2025, 12 core enterprises were onboarded, with cumulative disbursements of RMB 13.116 billion and a loan balance of RMB 660 million.
"Age-appropriate" Mobile Banking	Enlarged font, simplified layout, integrated core functions (inquiry, transfer, wealth management), and one-click access to video customer service.	Enhanced the service experience for elderly customers; honored as a "Mobile Banking Leapfrog Growth Pioneer Case."
"Xiao Lu Cloud Hall" Video Bank	Supports 25 businesses including limit management and password reset online through real-time video, financial-grade authentication, and end-to-end encryption.	By the end of the reporting period, over 500,000 transactions were processed; awarded "Excellent Case of Channel Construction Innovation" and "Outstanding Contribution to Fintech Channel Innovation."
Mobile Exhibition "Bank to Home"	Provides full-process off-counter financial services (card issuance, signing, wealth management) for special groups via on-site appointments.	By the end of the reporting period, served over 10,000 customers with over 300,000 transactions processed.
Acquiring Business Platform	Upgraded payment acceptance for automated error handling and multi-store multi-dimensional settlement; optimized merchant operation reports and refunds to enhance merchant experience.	By the end of the reporting period, processed 75.95 million transactions totaling over RMB 20.2 billion; won the "Jinke Award for Digital Intelligent Innovation in Fintech" from the Sichuan Fintech Association.

Product Name	Core Functions and Service Highlights	Key Achievements
Unified Payment Platform	Integrates Large-Value Payment,Small-Value Payment, Online Interbank Clearing, and City Bank Clearing systems for intelligent routing and unified reconciliation.	System processing performance improved to over 2,300 transactions per second, 23 times higher than the original system, supporting continuous 7×24 operation.
Intelligent Customer Service System	Constructs a self-learning intelligent knowledge base through NLP and voice recognition, achieving automatic Q&A by text robots and full voice quality inspection coverage.	Accuracy for quality inspection recording reached 85.27%; text robot Q&A accuracy reached approx. 93%, diverting massive repetitive inquiries and reducing labor costs while improving efficiency.
Electronic Banking Business Platform	Unifies user, account, and authentication systems, integrating online, mobile, and WeChat banking to break channel barriers. Utilizes private cloud and Huawei Cloud microservice stacks for rapid iteration and elasticity.	Daily active users of mobile banking exceeded 30,000, a 128% increase over the old system; Xiao Lu Enterprise Link daily active users exceeded 1,500, a 621% increase, significantly reducing operating costs and enhancing user experience.

"Age-appropriate" Mobile Banking



"Xiao Lu Cloud Hall" Video Bank



Mobile Exhibition "Bank to Home"



Acquiring Business Platform



Unified Payment Platform





Intelligent Customer Service System



Electronic Banking Business Platform



Digital Inclusive Finance

The Bank relies on the "Internet + Big Data + Finance" model to expand its service radius and enhance service quality and efficiency. We continuously launch customized financial service products for industrial chain and scenario-based customers to meet the differentiated and convenient financial service demands of different customer groups, promoting financial services to benefit the public more extensively and fairly.

Automated Credit Model: By comprehensively utilizing official data such as tax and credit information, scenario transaction data such as acquiring flows, and internet big data such as online asset evaluation, we outlined enterprise business profiles and established an automated credit model that can effectively evaluate enterprise business status. This model provides customers with diverse, convenient, and intelligent comprehensive small and micro financial services, achieving a breakthrough from "0 to 1" in Luzhou Bank's digital small and micro financial innovation.

Digital Ecosystem Construction: We have completed the "Digital Small and Micro" ecosystem construction of "Big Data + Mortgage," "Big Data + Tax," "Big Data + Credit," "Big Data + Supply Chain," and "Big Data + Scenario." Combining multi-dimensional information such as customer identity, assets and liabilities, behavior, and devices, we constructed rich expert strategies and machine learning models, and initially built a basic framework for a big data risk control model that can accurately evaluate enterprise business conditions, achieving a full online automated integrated assembly-line operation mode for customer account opening, application, approval, and disbursement.

03 ENVIRONMENTAL

01 Responding to Climate Change
02 Green Management
03 Green Finance
04 Green Operations
05 Environmental Performance Table

Luzhou Bank profoundly anchors itself to the national "Dual Carbon" strategy, integrating the philosophy of green development throughout all aspects of its strategic layout and operations. Externally, we utilize Green Finance as an engine to guide capital towardlow-carbon transition and ecological protection, empowering the green development of regional industries. Simultaneously, leveraging the "Green Bud Points" system, we have constructed a carbon inclusive mechanism for all citizens in Luzhou to promote social low-carbon awareness. Internally, for the first time, we have conducted greenhouse gas (GHG) emissions accounting and climate stress testing to actively respond to climate change. We continue to promote green operations, focusing on reducing our own resource consumption and environmental footprint to fulfill our commitment as a low-carbon bank. Through internal and external synergy and dual-directional efforts, we are committed to becoming a financial accelerator for green development and a value practitioner of environmental responsibility in the Southwest region.

ENVIRONMENT

Responding to Climate Change

Luzhou Bank profoundly recognizes that responding to climate change is not only an inevitable requirement for fulfilling environmental responsibilities but also a significant strategic opportunity to seize the green economic transition and shape sustainable competitiveness.

We have fully integrated climate-related risks and opportunities into our governance framework and business system. By improving the ESG governance system, conducting climate risk stress testing and assessment, and performing GHG emissions accounting (covering Scopes 1, 2, and 3), we systematically enhance our climate resilience. We are committed to achieving sustainable growth and value enhancement for ourselves while serving the low-carbon transition of the Southwest region.

Establishing a Climate Risk Management System

We have established a climate risk management system aligned with our ESG governance structure, incorporating climate change-related risks into the comprehensive risk management framework. The Development Strategy Committee under the Board is responsible for coordinating climate-related responsibilities and duties, assisting the Board in the comprehensive supervision and management of climate-related risks and opportunities to ensure that climate issues are effectively implemented in strategic decision-making and business operations.

Conducting Climate Risk Stress Testing

To enhance operational resilience under climate change and policy evolution, during the reporting period, we proactively conducted our first climate risk stress testing analysis and assessment. This assessment, starting from the two dimensions of transition risk and physical risk, constructed a multi-scenario analysis framework to simulate the potential impacts of different emission reduction pathways, disaster intensities, and risk transmissions on asset quality and capital adequacy. Through these efforts, we further identified and quantified our climate-related risk exposures, gradually forming a management process covering scenario setting, model calculation, and application of results. We continue to enhance our forward-looking capabilities in climate risk identification, assessment, and response, laying the foundation for deepening climate risk management practices in the future.

Conducting Greenhouse Gas (GHG) Emissions Accounting

During the reporting period, the Bank conducted a comprehensive GHG emissions accounting covering Scope 1, Scope 2, and Scope 3 (including investment and financing activities), taking a key step in environmental information disclosure and the systematic construction of a carbon management system.

Bank-wide Carbon Inventory

We systematically advanced the collection, accounting, and analysis of carbon emission data across all institutions, precisely identifying key emission sources in operational links. We guide institutions at all levels to implement targeted energy-saving and carbon-reduction measures, effectively reducing unnecessary energy expenditure. While lowering operating costs, this comprehensively enhances the Bank's green operation level and carbon management capabilities, laying the foundation for a refined low-carbon operational system.

Carbon Accounting for Investment and Financing

We regard carbon accounting for investment and financing activities as an important basis for responding to climate risks and promoting the low-carbon transition of its asset structure. By assessing the carbon footprint of its investment and financing portfolio, we further master the carbon emission status of the Bank's assets, identifies potential risks of high-carbon assets, and provides data support for subsequent climate-related risk stress tests. Based on this, we will continue to optimize our asset allocation structure, orderly reduce the carbon intensity of our asset portfolio, and actively innovate green financial products and services to guide more financial resources toward green and low-carbon fields, supporting the green transition of the real economy.

Focusing on Frontier Trends in Climate Risks and Opportunities

We continue to monitor policy dynamics, market trends, and innovative practices in the global and domestic ESG and climate fields, actively researching development opportunities in green industries, low-carbon technologies, and carbon finance markets. By participating in industry exchanges and strengthening collaboration with local governments and industrial partners, we constantly explore the intersection of financial services and regional transition needs, aiming to transform climate-related risk management capabilities into differentiated competitiveness that supports local industrial upgrading and fosters green growth points, truly achieving a strategic advancement from "responding to risks" to "seizing opportunities."



Green Management

We focus on the construction of a green financial system. Based on the local economy, resource endowments, and our own development characteristics, we regard green credit as the focus of green finance implementation at this stage. We have clarified power and responsibility allocation in the organizational structure, fortified the management foundation in the institutional system, and explored service optimization in the working mechanism, taking pragmatic measures to write the Bank's unique "Green Finance Article."

Strengthening Organizational Construction

We have established a complete decision-making, management, and supervision system for green credit, clarifying the responsibilities of each level to ensure the orderly progress of green credit work.

- **Board of Directors Responsibilities:**

  Responsible for reviewing and approving green credit targets and development strategies.

- **Development Strategy Committee of the Board Responsibilities:**

  Responsible to the Board, assuming supervision and evaluation functions for green credit work, and evaluating the implementation of the Bank's green credit development strategy.

- **Senior Management Responsibilities:**

  Responsible for formulating green credit targets and development strategies; establishing mechanisms and processes; clarifying responsibilities and authorities; appointing a bank leader to take the lead on green credit work; organizing internal supervision, inspection, and appraisal; and reporting green credit development to the Board and regulatory authorities annually.

- **Leading Management Department Responsibilities:**

  The Credit Approval Department, as the leading management department for green credit, is responsible for formulating and improving green credit management systems; leading the formulation of compliance document lists and compliance risk review lists; collecting and disseminating green credit policies; and handling the review, approval, declaration, and statistics of green credit business within its authority.

- **Functional Department Synergy:**

  Other departments collaborate to implement green credit targets and strategies in detail. The Human Resources Department is responsible for incorporating green credit into the performance appraisal system. Each marketing institution is responsible for the entire process of green credit work, including pre-loan investigation, business processing, and post-loan management, as well as business review, identification, preparation of supporting materials, and relevant statistical reporting within their authority.

Improving the Institutional System

The Bank clarifies the important strategic development status of green finance, continues to explore and improve the green credit working mechanism, identifies the direction and key areas of green credit support, and continuously strengthens environment, social, and governance (ESG) related risk management, establishing a well-structured green credit institutional system.

Green Credit Development Strategy:

Centering on the national "Dual Carbon" targets and financial regulatory requirements, we issued the *Green Credit Development Strategy of Luzhou Bank (2024-2026).* It clarifies the key points of the three-year action for green credit and, combined with the Bank's business structure and development reality, establishes a comprehensive green credit development system from a strategic level covering systems, culture, management, disclosure, and products.

Green Credit Investment Guidelines:

Based on recent national industrial, credit, and environmental regulatory policies and regional economic policies, and combined with our own development plans and directions, we follow the *2025 Credit Investment Guidelines of Luzhou Bank* . We categorize "Green Credit" as a key credit investment orientation under the "Supportive" category. We strictly control the access of projects and enterprises that do not meet green credit standards or those listed in the "Restricted" category of the national *Industrial Structure Adjustment Guidance Catalogue*, accelerating the green transition of our business.

Green Credit Management Measures:

According to the *Green Credit Management Measures of Luzhou Bank* , we have improved green credit system norms in terms of organizational structure, division of responsibilities, management requirements, and supervision and inspection. Following the whole-process management of green credit loans (pre-loan investigation, mid-loan review and approval, and post-loan management), we have systematically reviewed and adjusted work measures to strictly manage ESG risks. We have clarified the standards and processes for green credit identification and declaration and continuously strengthened green credit statistical management.

Enhancing Working Mechanisms

The Bank consistently adheres to the basic principles of legal compliance and risk control, continuously improving the long-term working mechanism for green credit, proactively guiding financial resources toward green and low-carbon fields, and providing precise support for enterprises to implement green renovation and industrial upgrading. In terms of credit management, the Bank continuously improves differentiated support policies, providing support in credit quotas, loan interest rates, and approval processes for eligible green enterprises and low-carbon transition projects, thereby enhancing the accessibility and convenience of green financial services. By optimizing business processes, opening fast-track channels for green projects, and providing preferential pricing support, the Bank focuses on enhancing the quality and efficiency of green financial services, effectively promoting the flow of financial resources toward sectors with significant low-carbon benefits.

Green Finance

Luzhou Bank continues to innovate green financial products and services. Focusing on key industrial fields and starting from the practical needs of the green transition of the real economy, we increase the efficiency and coverage of green financial services to fully serve local green, low-carbon, and high-quality development.

Green Wealth Management — Supporting Local Ecological Environmental Improvement

We closely follow national strategic orientations, continuing to guide wealth management funds toward the green and environmental protection fields. We prioritize projects with positive environmental effects, such as water infrastructure construction, pollution prevention and control, and ecological restoration, providing green financial support for key areas of ecological civilization construction.

By the end of 2025, the Bank's green-related wealth management investment balance was **RMB 478 million**, accounting for **5.77%** of the total wealth management scale, covering various environmental protection sub-sectors such as sewage treatment, water resource management, solid waste treatment, and soil remediation.

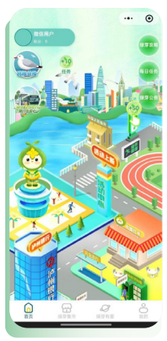
By the end of 2025

RMB 478 million
in green-related wealth management investment balance

5.77%
of the total wealth management scale

Green Consumption — "Green Bud Points" Carbon Inclusive Platform

The Bank actively implements Luzhou's carbon peaking deployment. Relying on the "Green Bud Points" carbon inclusive platform of Luzhou Bank, we continue to promote the construction of "digital ledgers" for carbon reduction for public institutions, enterprises, and individuals. We improve the incentive and feedback mechanism for carbon reduction behaviors, guiding the whole society to actively practice a new trend of green and low-carbon living.





The "Green Bud Points" carbon inclusive platform was co-built by the Bank and the Luzhou Municipal Ecology and Environment Bureau in 2020. As **the first personal green points system in Western China**, it is a significant measure for the Bank to promote the construction of a carbon inclusive mechanism for all citizens, respond to "Dual Carbon" targets, and demonstrate corporate responsibility. Since its launch, the platform has gained high attention and recognition from mainstream media such as Xinhua News Agency, People's Daily, and CCTV, as well as relevant authorities.

The platform builds personal carbon reduction accounts by collecting multi-dimensional data such as users' green life, green finance, green travel, and green recycling, while quantifying individual green contributions in the form of points. Points can be used to redeem products on the platform or support public welfare, thereby encouraging users to consciously participate in green and low-carbon development, gathering a powerful force for energy saving and carbon reduction.

By the end of the reporting period, the number of registered users of "Green Bud Points" exceeded **430,000**, and the cumulative personal carbon reduction reached approximately **592 tons**.

By the end of the reporting period

over 430,000
registered users of "Green Bud Points"

approximately 592 tons
of total cumulative personal carbon reduction





"Green Bud Points" was selected for the Ministry of Ecology and Environment's 2025 Excellent ESG Enterprise Case List.

Case **"Green Bud Points" Assisting the China International Liquor Expo in Achieving Carbon Neutrality**

In March 2025, the 22nd China International Liquor Expo (Luzhou) deeply practiced "Dual Carbon" goals and actively explored new paths for green conventions. Luzhou's "Green Bud Points" platform played a pivotal role as a hub for quantifying and neutralizing low-carbon behaviors for the expo.

Aggregating public low-carbon energy. Leveraging the "Green Bud Points" platform, the "500 Grams per Person · Low-carbon Support for Liquor Expo" activity attracted over 30,000 citizens. Daily low-carbon behaviors such as public transport commuting and the "Clean Plate" campaign were converted into quantifiable emission reductions, accumulating approximately 17 tons of public-donated reductions, achieving "public crowdsourcing" of green energy.

Providing compliant carbon purchase channels. According to the Luzhou City "Green Bud Points" Carbon Inclusive Project Carbon Neutrality Scheme for Large-scale Events (Trial), the expo organizer purchased carbon credits from enterprises holding emission reductions through the platform to offset the carbon emissions generated by the event.


碳中和证书

中国国际酒业博览会泸州筹备工作领导小组办公室：

兹证明，贵单位于2025年3月27日—30日举办的第二十二届中国国际酒业博览会，经核算，产生的100吨二氧化碳当量通过2025年泸州市义务植树活动和泸州市"绿芽积分"碳普惠项目公交出行场景所累积的减排量进行抵销，实现活动碳中和。

中华环境保护基金会

2025年



After calculation, all carbon emissions generated by this expo were completely offset through the accumulated reductions from the 2025 Luzhou Voluntary Tree Planting activity and the public transport scenarios of the "Green Bud Points" project. A carbon neutrality certificate was issued by the All-China Environment Federation, fully demonstrating the unique value and contribution of "Green Bud Points" in promoting carbon neutrality for large events and leading green lifestyles.

Featured Green Finance Practices — Assisting Regional Industrial Low-carbon Transition

The Bank focuses on regional green development needs, continuously extending green financial service areas, supporting the optimization and upgrading of industrial structures, and expanding the scale of green loan disbursements. By innovatively developing differentiated credit products and services, we provide precise and efficient financial support for the green transition of enterprises, substantively assisting the sustainable development of the real economy.

Case **Green Building Materials**

To support the green transition and upgrading of local backbone enterprises in green building materials, the Gulin Branch of Luzhou Bank provided precise working capital loan support for a high-quality concrete enterprise in Gulin County. Based on the enterprise's long-term good cooperation record and on-site investigation, the Gulin Branch adopted a "Mortgage + Joint Guarantee" combined guarantee method to customize a **RMB 1.65 million** working capital loan for the procurement of low-energy environmental protection materials, driving the sustainable development of the enterprise and the green transition of regional industries with financial power.

Case **Green Energy**

The Anfu Branch of Luzhou Bank actively responded to the regional energy structure transition strategy, precisely matching the financing needs of the clean energy industry. By the end of the reporting period, the Anfu Branch had issued a total of **RMB 18.70 million** in special financing for several natural gas enterprises in Luzhou, effectively promoting local low-carbon energy transition and sustainable high-quality development.

Green Operations

The Bank actively practices the philosophy of green development, proactively formulating green operation policies and systems. We systematically promote green office and green services to achieve energy saving and emission reduction, actively conduct carbon inventory work, and assist in promoting high-quality development.

During the reporting period, the Bank reduced operational energy consumption and effectively implemented environmental requirements by promoting green office, advocating green travel, and implementing green procurement. Simultaneously, we continue to strengthen the environmental awareness of all employees, adhering to the principle of "starting from the individual and starting from one's surroundings." We promote a good atmosphere of environmental protection and thrift throughout the Bank, striving to build a "Low-carbon Bank" and set a benchmark for green operations in Luzhou.

Low-carbon Operation Targets and Progress

We formally set quantitative energy-saving and emission-reduction targets in 2021, systematically promoting the construction and optimization of our own low-carbon operation system, continuously improving environmental management levels, and integrating green development into long-term operational practices.

Target Category	Baseline (2021) Target	2025 Progress
Emission Reduction Target	Reduce per capita GHG emissions by 5% by 2031.	Per capita GHG emissions in 2025 were 2.82 tons, a 24.80% decrease from 3.75 tons in 2021, achieving the target ahead of schedule.
Non-hazardous Waste Reduction Target	Reduce per capita non-hazardous waste disposal by 5% by 2026.	Per capita non-hazardous waste disposal in 2025 was 0.0844 tons, a 24.78% decrease from 0.1122 tons in 2021, achieving the target ahead of schedule.
Hazardous Waste Treatment Target	100% of waste lead-acid batteries to be treated by qualified suppliers annually.	The Bank has hired qualified third parties to handle hazardous waste in compliance with regulations.
Water Saving Target	Reduce per capita tap water consumption by 5% by 2026.	Per capita tap water consumption in 2025 was 30.93 tons, an increase compared to 29.26 tons in 2021. However, through continuous refined management, this indicator has decreased for two consecutive years: down 13.58% compared to 2024 and 15.31% compared to 2023. The Bank will continue to improve water management and employee awareness to reach the target.
Energy Saving Target	Reduce per capita electricity consumption by 5% by 2031.	Per capita electricity consumption in 2025 was 4.86 MWh, a 21.49% decrease from 6.19 MWh in 2021, achieving the target ahead of schedule.

Green Office and Green Travel

The Bank issued the *Notice on Further Implementing the Spirit of the Central Committee's Eight-point Regulation* to practice the concept of thrift and frugality. We have implemented measures such as turning off power after work, air conditioning temperature control, paperless office, and the "Clean Plate" campaign to continuously promote the conservation of water, electricity, and paper. Simultaneously, we regard waste reduction, recycling, and harmless treatment as critical components of green operations, strengthening environmental management throughout the entire business process. Centering on the national "Dual Carbon" strategy, the Bank formulated regulations such as the *Implementing Rules for the Management of Calculator Consumables*, the *Management Measures for Operational Buildings of the Head Office*, and the *Management Measures for Official Vehicles of Luzhou Bank* , clarifying the principles of water and electricity conservation to drive the effectiveness of green operation measures and substantively reduce resource consumption and pollutant emissions.

Reducing Material Loss

- Office supplies, voucher materials, publicity materials, and maintenance consumables are all subject to a monthly or quarterly planned requisition system. Materials are stored by category based on their characteristics to avoid inventory overstocking and loss.
- All material transportation tasks are entrusted to professional suppliers to ensure standardized processes and minimize loss during the transportation phase.

Equipment Maintenance and Recycling

- We established equipment repair ledgers and implemented monthly monitoring and preventive maintenance for key energy-consuming equipment, such as air conditioners and elevators, ensuring efficient operation, extending service life, and further reducing overall energy consumption and maintenance frequency.
- We implemented an engineering repair spare parts management system with strict audits for the replacement of worn parts. A recycling and modification system for old spare parts was established to classify and recover reusable components. Parts that could no longer be used were subject to secondary modification and utilization to lower engineering material costs and achieve resource circulation.



Saving Office Electricity

- We advocate for reducing or avoiding the use of lights in offices when natural light is sufficient. Voice-activated sensors are utilized for lighting in less frequently used corridors.
- Employees are required to turn off all office equipment power when leaving their posts. Power for cloakrooms on each floor, reception rooms, and meeting room televisions remains off by default, to be turned on by departments only during use and turned off immediately afterward.
- Nightly inspections are conducted to check the power status of office equipment across all departments in the building. Statistical ledgers are formed, and reminders are issued to departments that failed to turn off power after work.
- Energy-saving slogans are posted in office areas to foster a culture of electricity conservation.
- We advocate for taking the stairs instead of elevators for travel within three floors (inclusive), unless under special circumstances, to cultivate energy-saving habits among all staff in their daily lives.

Air-Conditioning Control

- Air-conditioning use is strictly controlled. In summer, the cooling temperature for office areas across all institutions is set to no lower than 26° C.
- Property management personnel uniformly manage the start/stop, temperature, and wind speed of air conditioners in public areas to eliminate unnecessary energy consumption.



Water Conservation

- Employees are required to ensure faucets are closed after use and that delayed-flush valves return to position, eliminating phenomena such as running, dripping, leaking, or long-flowing water.
- Sensor-activated faucets are installed in restrooms on each floor. Landscaping around the building adopts time-divided and zone-divided irrigation to avoid water waste.
- Warning signs are posted in pantries, restrooms, and kitchen areas of the employee canteen to remind staff to save water.

Promoting Paperless Office

- The Bank fully promotes a paperless office environment. The financial system implemented paperless expense reimbursement, significantly reducing paper waste caused by copying physical attachments for each transaction.
- The Office Automation (OA) system is utilized comprehensively for document circulation and process approvals, reducing physical printing needs. Processes are shifted online to the greatest extent possible to advance paperless operations.
- Slogans such as "Double-sided Printing, Save Paper" are posted in printing rooms to encourage employees to develop sustainable habits and reduce paper waste.



Food Conservation and Stopping Catering Waste

- We formulated the *Management Measures for Employee Canteens and the Action Plan for Practicing Strict Economy and Stopping Food Waste,* explicitly requiring diners to take food according to their needs and strictly prohibiting waste. All employees are encouraged to participate in the "Clean Plate" campaign.
- "Civilized Dining" signs are placed in prominent positions, such as canteen entrances, serving counters, tray return areas, and dining tables. Educational materials on food conservation are broadcasted on electronic screens in business outlets and offices to guide staff and the public to establish the concept of practicing strict economy and stopping food waste.
- Surveillance cameras are installed at tray return areas to monitor and record food waste. Designated personnel are assigned to inspect food preparation waste at the end of each meal.
- All staff are organized to participate in "Clean Plate" check-in activities to respond to the call for civilized dining.



Streamlining Meetings

- The number of meetings is streamlined. Online, video, or teleconference formats are encouraged. For necessary physical meetings, a hybrid "Online + Offline" approach is adopted where possible to minimize large-scale on-site gatherings.
- Coordination of meetings is strengthened. For meetings with similar content, adjacent schedules, or overlapping participants, merged sessions are advocated to improve efficiency and conserve resources.

Green Travel

- Employees are encouraged to use public transportation for commuting. We strictly implement the motor vehicle license plate number restriction policy in the Luzhou area (from November to January of the following year) to guide employees to contribute to regional air quality improvement.
- According to the *Management Measures for Official Vehicles*, the number and standards of official vehicles are strictly limited, with the displacement of sedans generally not exceeding 1.8 liters.
- Drivers are required to register fuel expenses line-by-line or print fuel card records to accurately calculate fuel consumption per kilometer for each vehicle. Anomalies in fuel consumption are investigated and addressed promptly, and total annual fuel use is monitored to strengthen energy management.

Waste Treatment



- Domestic waste classification is promoted bank-wide. Classified trash bins are provided in outlets and office areas. Slogans promoting waste classification are displayed on electronic screens to encourage reduction at the source and sorted disposal.
- Domestic and kitchen waste are handled through professional collection and transportation. Domestic waste is collected by property management. Kitchen waste is filtered and treated with oil-water separation by the catering department before being cleared daily by a professional environmental company to ensure standardized disposal and prevent pollution of surrounding water and soil.
- We optimized the standardized management of hazardous waste (such as batteries, toner cartridges, and waste lamps) generated during daily operations through classified storage, designated management, and disposal by qualified institutions. We ensure that 100% of hazardous waste is handed over to legally qualified organizations for harmless treatment.

Green Procurement and Green Supply Chain

The Bank actively implements the principles of green, compliant, and fair procurement and supply chain management. We integrate environmental and social responsibility requirements into the entire management process of supplier admission, evaluation, and cooperation, guiding suppliers to participate in ESG practices and promoting supply chain sustainability.

Prioritizing Eco-friendly Products

In systems such as the *Centralized Procurement Management Measures* and the *Implementation Rules for Supplier Management*, the Bank explicitly stipulates that under equal conditions, priority should be given to energy-saving and eco-friendly products. ESG certifications, such as Environmental Management System Certification and Occupational Health and Safety Management System Certification, are incorporated into the bid evaluation system. In public tender documents, environmental and compliance requirements are clarified, with a "one-vote veto" (automatic disqualification) implemented for products that provided false materials or failed to meet national environmental standards.

Supply Chain Environmental and Social Risk Management

We established a supplier management system covering admission, selection, and continuous supervision. In the admission stage, environmental and social risks of suppliers are identified and evaluated. Priority is given to high-quality suppliers with standardized management and compliance with green standards. During cooperation, we continuously monitor supplier performance. In cases of non-compliance, investigations and restrictive measures are taken promptly to promote social responsibility together with supply chain partners.

During the reporting period, the Bank had 89 goods suppliers, all of whom met the requirements for the use of eco-friendly products.

During the reporting period

89

goods suppliers
All comply with environmental product usage requirements

Compliance Control of Procurement Processes

We strictly adhere to the procurement principles of openness, fairness, justice, and honesty. We focus on strengthening compliance supervision and anti-corruption risk prevention in the procurement process, ensuring that procurement activities are conducted in accordance with laws and regulations. We work to prevent commercial bribery and fraud, striving for the transparency and standardization of procurement information.

Environmental Performance Table

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Green Finance					
Green Credit	Green credit balance	RMB 100 million	4.68	5.03	7.06
	Energy-saving and carbon-reduction industries	RMB 100 million	0.79	1.47	1.78
	Environmental protection industries	RMB 100 million	0.00	0.20	0.19
	Resource recycling and utilization industries	RMB 100 million	0.20	0.15	0.83
	Green and low-carbon energy transition	RMB 100 million	2.00	2.00	2.22
	Green upgrade of infrastructure	RMB 100 million	1.51	1.14	1.97
	Green services	RMB 100 million	0.18	0.07	0.07
Green Operations					
GHG Emissions	Total GHG emissions (Scopes 1 & 2)	tCO_2e	6,499.76	6,504.74	5,583.74
	Direct GHG emissions (Scope 1)	tCO_2e	479.15	471.61	481.87
	Indirect GHG emissions (Scope 2)	tCO_2e	5,970.61	6,033.13	5,101.87
	Indirect GHG emissions (Scope 3)	tCO_2e	New in RP	New in RP	1,195,733.57
	GHG emission intensity (Scopes 1 & 2)	tCO_2e/person	4.46	4.07	2.82
Energy Consumption	Comprehensive energy consumption	MWh	12,432.52	13,183.14	11,274.78
	Comprehensive energy consumption intensity	MWh/person	8.60	8.25	5.70
	Direct energy consumption	MWh	1,963.28	1,939.90	1,659.49

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Green Operations					
Energy Consumption	Indirect energy consumption	MWh	10,469.24	11,243.24	9,615.29
	Natural gas consumption	MWh	1,061.02	1,026.84	888.78
	Diesel consumption	MWh	9.99	8.12	6.08
	Gasoline consumption	MWh	892.27	904.93	764.63
Green Office	Water consumption	Ton	52,765.03	57,189.30	61,155.70
	Water consumption intensity	Ton/person	36.52	35.79	30.93
	Total office paper consumption	Ton	50.45	56.80	53.54
	Office paper intensity	Ton/person	0.035	0.036	0.027
	Total office electricity consumption	MWh	10,469.24	11,243.24	9,615.29
	Office electricity intensity	MWh/person	7.25	7.04	4.86
Waste Management	Non-hazardous Waste				
	Total non-hazardous waste generated	Ton	182.80	158.20	166.95
	Non-hazardous waste intensity	Ton/person	0.1265	0.0990	0.0844
	Hazardous Waste				
	Total hazardous waste generated	Ton	8.80	10.56	3.17
	Hazardous waste intensity	Ton/person	0.0061	0.0066	0.0016

04 SOCIAL

01 Serving the Local Economy

02 Global Financial Services

03 Consumer Protection

04 Human Capital Development

05 Supplier Management

06 Social Contribution

07 Co-building Our Communities

08 Social Performance Table

We take "Serving the Local Area and Serving SMEs" as our business purpose, consistently integrating our own development into the overall national strategy and the pulse of local development: demonstrating financial responsibility in serving the national opening-up agenda, building a foundation of trust through the earnest protection of customer rights, consolidating collective strength through the continuous empowerment of employee growth, and creating value through the collaborative management of supplier partnerships. We give back to society with financial warmth, delivering care through public welfare and charity, and deeply rooting ourselves in the local community through collaborative construction, striving to achieve a high degree of unity between commercial value and social responsibility, and working hand-in-hand with stakeholders to build a sustainable and beautiful future.

Serving the Local Economy

Luzhou Bank deeply integrates into major national strategies and proactively aligns with local economic and social development needs. By leveraging the resource endowments of the Southwest region to innovate financial products and service models, we provide precise "financial irrigation" to local featured industries, continuously enhancing the adaptability, competitiveness, and inclusiveness of financial services, and contributing the power of Luzhou Bank to local economic and coordinated regional development.

Supporting Infrastructure Construction

Luzhou Bank takes proactive initiatives to align with major provincial and municipal projects, regarding support for regional infrastructure construction as a vital direction for serving the real economy. We actively follow key projects in fields such as urban public service and safety enhancement, green and low-carbon transition, and industrial park upgrades, practicing the philosophy of "the local people's own bank" to serve high-quality local economic and social development.

Case Supporting the Resource Utilization of Construction Waste in Luzhou to Assist Urban Green Renewal

The Bank provided RMB 3 million in financing to a construction waste disposal company in Luzhou, specifically supporting its construction waste recycling and reuse project. As the only designated construction waste disposal project in the urban area of Luzhou, it utilizes advanced technologies such as crushing and wind separation to maximize the utilization of construction waste resources, alleviating the pressure of waste disposal in old city renovations and promoting the comprehensive utilization of waste resources and the development of a circular economy.

Case Supporting Water Conservancy Infrastructure in Gulin County to Promote Urban-Rural Safety

By the end of the reporting period, the Bank had provided RMB 150 million in funding to a water investment company in Gulin County for the construction of the Guanwen Irrigation Area, the expansion of the Masi Reservoir, and the governance of several flash flood gullies. Covering water resource allocation, drought resistance supply, and flood prevention/disaster reduction, the project aims to optimize regional water resource allocation, enhance water supply guarantee capacity, and improve defense against flash floods, effectively protecting people's lives and property and providing solid support for rural revitalization.





Case Supporting Infrastructure in Luxian Chemical Industry Park to Achieve Intensive Resource Utilization

The Bank provided RMB 230 million in financing to a construction engineering company in Sichuan, specifically for the construction of supporting infrastructure in the Luxian Chemical Industry Park, promoting the creation of a modern chemical park with "integrated logistics transmission" to achieve intensive resource utilization and circular economy development. Upon completion, the project will effectively reduce the logistics and operating costs of park enterprises, enhance industrial synergy efficiency, and further optimize the industrial development environment of the Luxian Economic Development Zone.



Case Supporting New Energy Infrastructure to Boost Green and Low-carbon Development

To address the shortage of charging infrastructure in Luxian County, the Bank provided a credit limit of RMB 120 million to a big data company in Luzhou, specifically supporting the construction of new energy vehicle charging infrastructure in urban and rural areas of Luxian. This promotes the replacement of fuel vehicles and emission reductions in the transportation sector, helping to build a demonstration city for new energy vehicle development and driving the upgrade of public supporting facilities and high-quality county economic development.



Empowering the Cultural Tourism

As a primary force serving the regional economy, Luzhou Bank closely follows local cultural tourism development strategies. Through cross-sector collaboration, we create a new "Finance + Cultural Tourism" ecosystem, expanding cultural tourism scenarios and injecting new momentum into local economic development.

Case Assisting the "Galaxy Left Bank Music Festival" to Release Regional Consumption Vitality

The Bank actively responded to regional cultural tourism development strategies, taking the "Galaxy Left Bank Music Festival" as an opportunity to innovate the "Finance + Cultural Tourism" fusion model and contribute financial power to help release regional consumption vitality. During the period, the Business Department set up an exclusive service area at the venue, providing services such as hair braiding, face painting, and energy replenishment. Simultaneously, interactive activities like new media tasks and creative blind box draws were launched, with over 5,000 gifts distributed. The event attracted over 100,000 attendees and brought over 2,400 new followers to the Bank's online platforms, with video interactions growing significantly.



Case Supporting "Chuan Chao" Football League to Empower Urban Cultural Construction

During the Sichuan "Chuan Chao" Football League (Luzhou Division), the Bank followed the tournament's hot topics by setting up an interactive booth featuring team-themed face painting, customized cheering check-ins, and flash mob performances. Through online social sharing interactions, we effectively established an emotional link with the younger customer base, showcasing its youthful and warm service image. Using the tournament as a bond, we embedded financial services into citizens' cultural lives, promoting the transformation of sports "traffic" into development "retention," achieving mutual empowerment between the brand and urban culture.





Case Launching "Dialect Q&A + Consumption Coupons" to Innovatively Boost Agri-tourism Consumption

The Hejiang Branch deeply integrated into the local featured industry by launching a "Dialect Q&A + Consumption Coupons" featured financial service during the "Zhenlong Pomelo Music Consumption Theme Activity" held in Zhenlong Town, Hejiang County. Using local dialect culture as an entry point, the Bank set up interactive Q&A sessions, inviting residents to explain the meaning of terms in exchange for pomelo consumption coupons, which effectively stimulated public enthusiasm. This measure not only enhanced the fun and cultural connotation of the activity but also directly drove on-site consumption, benefiting both tourists and local farmers, and effectively transformed financial resources into a practical driving force for rural consumption and featured agriculture.

Serving the Real Economy

Luzhou Bank thoroughly implements the major mission of financial services serving the real economy to promote high-quality and sustainable regional economic development. We focus on local industrial layouts and market entity needs, continuously improving the precision and adaptability of financial services through innovative supply chain finance models and optimized docking mechanisms for key projects, injecting financial momentum to solidify the foundation of local development and empower industrial chain upgrades.

Innovating Supply Chain Finance Products

We actively respond to the national call to enhance industrial and supply chain resilience, leveraging our highly flexible supply chain finance system to build a "Core Enterprise-led, Full-chain Coverage" service model. Targeting large "chain-leader" enterprises such as central SOEs, state-owned enterprises, and listed companies with good credit, we provide comprehensive lifecycle financial services—including accounts receivable financing, circulation, and collection—to small and medium-sized enterprises (SMEs) in the chain through supply chain ecosystem management services. By extending the credit of core enterprises to the upstream and downstream of the industrial chain, we effectively alleviate the financing difficulties faced by SMEs due to insufficient qualifications, enhancing the overall resilience of the industrial chain while reducing operational risks.

Since the system's launch, we have introduced various featured products such as directional factoring and e-Lu Dai, achieving rapid growth in supply chain finance business.

Serving Local Advantageous Industries

The Bank focuses on the strategic industrial layout of Luzhou, increasing support for advantageous industrial chains, key parks, core business districts, and emerging economies.

We focus on the "5+5" modern industrial system, covering key sectors such as Baijiu, energy chemicals, new materials, medicine and health, equipment manufacturing, green building materials, food processing, electronic information, and the digital economy. We continuously improve financing docking mechanisms and strive to provide precise and adapted financial support for core enterprises and industrial enterprises above designated size in the industrial chains, assisting in the optimization of regional industrial structures and enhancing the quality and efficiency of serving the real economy.

By the end of the reporting period, there were 848 enterprises above designated size in the city's "5+5" industrial chains. During the reporting period, loans were disbursed to 124 of these enterprises, totaling **RMB 1.125 billion**.

Case Serving Local Intangible Cultural Heritage (ICH) Enterprises to Empower Featured Economy

The Jiangbei Branch provided RMB 4 million in credit support to an ICH enterprise holding "National Secret Formulas" and "Sichuan Time-honored Brand" status to help alleviate its financing predicament. Facing a decline in infant food revenue and lacking collateral or guarantees for its new factory, the enterprise faced financing challenges. After deep research, the Bank utilized the "Chan Rong Dai" featured financial product to approve credit, helping the enterprise overcome its predicament.

Case Serving Local Baijiu Enterprises to Assist Advantageous Industrial Development

Targeting the operational fluctuations of Luzhou Baijiu enterprises and their upstream and downstream chains, the Bank has consistently adhered to the principle of "No loan withdrawal, No loan disruption." Based on local characteristics and economic needs, the Bank formulates personalized financial service plans for Baijiu enterprises to continuously inject vitality into local development.

aking two wineries in Luxian County as an example, their traditional Baijiu brewing techniques are listed in the Luxian ICH Directory, and their cellars are rated as "Famous Sichuan Strong-Aroma Old Cellars." Due to assets consisting mainly of intangible cultural assets like old cellars and ICH techniques, the enterprises faced a shortage of collateral. The Bank explored new credit models adapted to the Baijiu industry, innovatively including ICH certification and the continuous use of old cellars for over 40 years as entry conditions, successfully issuing RMB 3 million in credit loans to each. This funding ensured stable production and further enhanced the Bank's financial capacity and professionalism in serving the Baijiu featured industry.

Case Serving the Local Pharmaceutical Industry to Fortify the Health and Livelihood Foundation

To support the development of the pharmaceutical industrial chain in Luzhou, the Bank conducted special research on pharmaceutical enterprises to analyze their operating characteristics and summarize key investigation points and judgment standards for regional-scale firms, improving investigation and review efficiency and continuously enhancing corporate financing efficiency.

Targeting common financing pain points of pharmaceutical SMEs, such as long accounts payable cycles and insufficient collateral, the Bank leveraged the "Tianfu Fu Bao Dai" policy and collaborated with the Luxian Agricultural, Medium, and Small Enterprise Guarantee Co. to launch a "Guarantee upon Lending" batch guarantee model. This provided over RMB 18 million in financing to 6 small, light-asset pharmaceutical firms with insufficient collateral, helping to solve their financing difficulties.

Global Financial Services

Luzhou Bank adheres to an international development strategy, proactively integrating into the national opening-up agenda and continuously improving its cross-border financial service level. Grounded in the region with a global vision, we actively layout for the **"Belt and Road" Initiative**, building an efficient and robust financial bridge for entities in the Sichuan-Chongqing region to "go global" and "bring in," helping them play a more significant role in global industrial and value chains.

By the end of the reporting period, the Bank had established international business partnerships with **40 domestic and overseas banking institutions.** Our service network extends from basic settlement to cross-border clearing, trade finance, and external debt management, covering key regions such as Hong Kong, Macao, Taiwan, ASEAN, and the EU, providing a solid financial support foundation for local enterprises to connect with the global market. During the reporting period, cross-border settlement volume exceeded **USD 719 million**, covering the entire chain of service and goods trade, with cumulative cross-border RMB settlements reaching **RMB 2.875 billion.**

During the reporting period

over **USD719** million
in cross border settlement

RMB 2.875 billion
in cumulative cross-border RMB settlements

In 2025, the Bank was honored with the "Outstanding Cross-border Financial Innovation Service Award" at the 14th "Jin Zhi Award".





Strengthening Cross-border RMB Business

The Bank actively responds to the "Belt and Road" strategy, attaches great importance to cross-border RMB business development, and established a dedicated cross-border RMB business task force. We organized foreign exchange backbone personnel to survey corporate needs and actively promote the implementation of key cross-border RMB tasks.

By the end of the reporting period, the Bank's cross-border RMB settlement services had expanded to Hong Kong, ASEAN, the EU, Japan, and South Korea, encompassing semiconductor processing, automobile exports, oil drilling, international shipping, and more. **Cross-border RMB settlement volume has achieved leapfrog growth, with the cumulative scale surpassing RMB 4.1 billion.**

Establishing clearing relationships with Top Financial Institutions to Open Efficient Cross-border Clearing Channels

To support the internationalization of the RMB and help enterprises expand into emerging markets, we participated in the 2025 Shanghai Finance Fair to conduct deep exchanges with domestic and overseas peers and build channels. Addressing enterprise feedback regarding low payment efficiency in regions like Southeast Asia, we conducted multi-dimensional peer research.

We have established cross-border RMB clearing relationships with several major leading financial institutions, including Bank of China, Industrial and Commercial Bank of China, Bank of China, Bank of Communications, and DBS Bank, thereby enabling efficient cross-border clearing channels. This has significantly shortened the arrival time for enterprises' funds in regions covered by the Belt and Road Initiative (BRI), effectively alleviating their cash flow pressure and ensuring stable production and operations. This initiative not only provides solid financial backing for enterprises "going global," but also underscores our commitment to supporting Chinese enterprises in deeply cultivating emerging international markets by optimizing its cross-border service network and integrating global resources.

Case **Implementing the First Cross-border Business for a Fortune 500 Enterprise**

During the reporting period, we implemented our first cross-border business for a Fortune 500 company, opening an RMB 835 million cross-border RMB international letter of credit. This cooperation marks a major breakthrough in serving large international corporations and reflects that the Bank's professional capability in cross-border financial services has gained market recognition.

Case **Chengdu Branch Implements the First Repatriation of Offshore RMB Bond Funds**

The Chengdu Branch successfully assisted a client in completing the cross-border repatriation of RMB 774 million in proceeds from an offshore RMB bond issuance. Based on a deep understanding of the regional economy and customer needs, the Bank customized a cross-border capital management plan and efficiently completed external debt registration, ensuring a compliant closed-loop process and enhancing corporate capital management efficiency. Settling entirely in RMB, this business effectively reduced exchange costs and currency risks for the enterprise and promoted the actual application of cross-border RMB.

During the reporting period

The first
cross-border business for a Fortune 500 enterprise

The first
repatriation of offshore RMB bond funds

Optimizing the Foreign Exchange Service System

Luzhou Bank stays grounded in regional economic development, solving "deep water" pain points in corporate investment, financing, production, and personal foreign exchange needs for overseas study, while continuously optimizing the foreign exchange service system and enhancing cross-border financial service capabilities.

- Established an "Foreign Exchange Product Manager + Relationship Manager" dual-track linkage service mechanism to provide personalized foreign exchange settlement services for import and export enterprises.
- Actively promoted digital transformation by launching foreign exchange functions on mobile banking to help customers complete foreign exchange transactions and overseas remittances, specifically addressing the needs of families with students studying abroad.
- Established a cross-border RMB business task force to address exchange rate fluctuation risks, actively promoting cross-border RMB settlement to help enterprises avoid exchange rate risks and reduce conversion costs.

Diversified Cross-border Trade Services

With the issuance of new policies for the facilitation of cross-border trade and investment, the Bank has taken proactive initiatives to tailor cross-border financing solutions for different types of enterprises through innovative service models. This has significantly enhanced financing accessibility for regional enterprises, providing more diversified financing channels and more convenient financing paths to fully assist regional enterprises in connecting with the global market.

Innovative Launch of the "Online Pre-review + One-stop Processing" Mode

The Bank innovatively launched the "Online Pre-review + One-stop Processing" mode, realizing the goal of "making data do the traveling so that enterprises do less legwork," which greatly improves efficiency.

During the reporting period, the Bank completed external debt contract registration of USD 54.50 million for an enterprise in Chengdu and assisted in the repatriation of funds. With the help of the "Online Pre-review + One-stop Processing" mode, the external debt registration was completed in only 2 working days.

Pioneering the "Bank-Enterprise Financing Matchmaking" Mode in the Province

Targeting foreign-related enterprises with prominent light-asset characteristics, the Bank pioneered the "Bank-Enterprise Financing Matchmaking" business mode within the province, breaking through the asset requirements of traditional credit methods and effectively solving financing difficulties for light-asset enterprises.

During the reporting period, the Bank innovatively launched a comprehensive solution of "Overseas Order + Domestic Capital Closed-loop + Targeted Cross-border Payment," providing nearly RMB 150 million in credit for import payments to small and medium-sized foreign trade enterprises.

Case

Collaborating with Peers to Break the Predicament and Resolve Difficulties in Cross-border Letter of Credit (LC) Business for Foreign Trade Enterprises

We focused on the pain points of foreign trade enterprises in cross-border LC business and actively responded to the national deployment requirements for "improving trade facilitation levels." For an export letter of credit business involving a small micro-client and its South Korean counterparty, we leveraged the *Export L/C Document Presentation Contract* previously signed with a major bank. By utilizing the professional expertise of its peer, we achieved efficient document verification. Simultaneously, we established a dedicated service team to translate specialized financial terminology into language easily understood by the enterprise, ensuring precise coordination throughout the process. This effectively resolved the cross-border settlement difficulties faced by the micro-client and significantly enhanced the foreign trade enterprise's experience with cross-border transactions.

Consumer Protection

The Bank consistently adheres to the "Customer-centric" philosophy and practices the fundamental principle of "service begins with customer needs and ends with customer satisfaction," creating value for customers through humanized business concepts, a convenient offline network, and efficient professional services. We fully safeguard the legitimate rights and interests of customers, persist in protecting customer privacy, serve small and medium-sized clients, focus on people's livelihoods, and continuously improve service quality and efficiency to meet the people's growing needs for a better life with high-quality financial services.

Consumer Rights Protection

The Bank attaches great importance to the protection of financial consumer rights and interests, strictly implements regulatory requirements, and has established a systematic institutional system and organizational structure to ensure the effective implementation of relevant work.

Institutional Level: With the *Basic System for the Protection of Financial Consumer Rights and Interests* as the core, the Bank has formulated supporting specialized systems such as the *Administrative Measures for the Protection of Personal Financial Information* and the *Administrative Measures for the Handling of Consumer Complaints*, forming a full-process management mechanism covering personal information security, complaint handling, and rights review.

Organizational Safeguard: The Board of Directors has a Consumer Rights Protection Committee responsible for the formulation and supervision of relevant strategies and policies. The Internal Control and Compliance Department is the leading management department for consumer rights protection, responsible for formulating management measures and supervision/appraisal systems, and organizing, coordinating, urging, and guiding other departments and branches to carry out consumer rights protection work.

Data Security and Privacy Protection

The Bank follows the work philosophy of "Prevention First, Safety First" and the guiding ideology of "Proactive Defense, Comprehensive Prevention" to improve the information security institutional system. We strengthen regular efforts in information security inspections and awareness training to effectively enhance information security management levels and strictly prevent the leakage of personal information and privacy.

During the reporting period, no incidents involving the infringement of customer privacy or the loss of customer data and materials occurred in the Bank.

The Bank was honored as the "Excellent Defensive Unit in the 2025 Cyber Security Attack and Defense Drill of Six Cities in Southern Sichuan."


荣誉证书
HONORARY CREDENTIAL
泸州银行股份有限公司：
你单位在2025年“川南六市”网络安全攻防演练中表现突出、成绩优异，荣获：
优秀防守单位
2025年“川南六市”网络安全攻防演练泸州市指挥部
（中共泸州市委网络安全和信息化委员会办公室代章）
2025年7月18日

Information Security Institutional System

The Bank has officially released data security-related systems such as the *Administrative Measures for Information Security*, the *Administrative Measures for the Protection of Personal Financial Information*, the *Implementation Rules for Data Desensitization Management*, the *Implementation Rules for Data Extraction from Information Systems*, and the *Implementation Rules for Data Backup and Recovery Management*. These regulate details such as data life cycle management, personal financial information protection, and data desensitization, extraction, backup, and recovery.

During the reporting period, the Bank formulated the Administrative Measures for Data Security in alignment with data security laws, regulations, and regulatory requirements, further standardizing the division of responsibilities among institutions, data classification and grading, data life cycle management, technical security protection, risk monitoring, assessment and auditing, and incident handling measures.

Information Security Organizational Structure

The Bank has constructed an information security organizational structure with decision-making by the Information Technology Management Committee, oversight by the Chief Information Officer, management by the Information Technology Department, and participation/cooperation from other functional departments. As the competent department for information security, the Information Technology Department is responsible for building and improving information security norms and standards; planning, constructing, operating, and optimizing the network security protection system; organizing information security training; and handling network security threats and information security vulnerabilities.

Full-process Data Security Management

Against data security strategies, management requirements, and the management framework, the Bank clarifies specific requirements and adopts management measures for every stage of data handling.

- **Data Collection Stage:** Clarified that personal consent or organizational authorization must be obtained for collecting non-public data, and the purpose, method, scope, and rules for collection and processing must be determined.
- **Data Usage Stage:** Clarified the processes for application, review, approval, extraction, and confirmation for extracting data from the production environment, and established an operation and maintenance (O&M) auditing system to audit database access behavior.
- **Entrusted Data Processing Stage:** Service agreements are signed with outsourced service providers to clarify data security elements such as the purpose, duration, and method of entrusted processing.
- **Data Disclosure Stage:** Clarified that when disclosing financial statements or other important information, internal decision-making processes must be followed, and information can only be released after approval.
- **Data Backup Stage:** Clarified data backup strategies, implementation processes, and storage methods for backup data. The Bank is required to conduct a data backup recovery drill once a year to verify the integrity, availability, and business recoverability of backup data.

Third-party Information Security Assessment

The Bank hires professional third-party institutions to conduct information security assessments, continuously promoting the standardized management of information technology and effectively enhancing information security guarantee capabilities.

Optimizing Products and Services

The Bank consistently adheres to the "Customer First" principle, regarding customer needs as the starting point and ultimate goal of all work. We listen deeply to the voice of the customer and understand their demands through empathetic thinking; we continuously optimize product design, service processes, and interaction experiences to provide customers with more convenient, professional, and warm financial services.

Meeting Diversified Wealth Management Needs

The Bank is committed to providing customers with robust, professional, and diversified wealth management solutions. By integrating various types of products such as self-managed wealth management, agency wealth management, and agency trusts, we have constructed a wealth management matrix covering different risk appetites and liquidity needs. We strictly select high-quality assets to enhance product competitiveness. Product tenures range from 35 days to 1,001 days, balancing short-term liquidity with medium-to-long-term allocation needs. Some products provide regular cash dividend mechanisms to satisfy the dual goals of daily capital arrangement and wealth appreciation.

By the end of 2025, the balance of the Bank's self-managed wealth management products was RMB 8.387 billion, the balance of agency wealth management was RMB 1.354 billion, and the balance of agency trusts was RMB 2.262 billion, providing asset allocation services to a total of 35,900 customers.

By the end of 2025

RMB 8.387 billion
in balance of self-managed wealth management products

RMB 1.354 billion
in balance of agency wealth management

RMB 2.262 billion
in balance of agency trusts

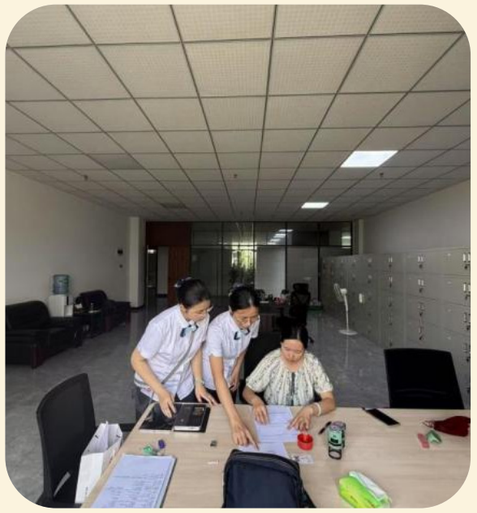
35,900
clients served with asset allocation services

Case

Delivering Service in the Heat, Financial Convenience at Zero Distance— Luyongjiang Branch Launches "Enterprise On-site Office Day" Activity

The Luyongjiang Branch of Luzhou Bank practiced the "Customer-centric" service philosophy by innovatively launching the "Enterprise On-site Office Day," delivering electronic banking business directly to the enterprise's frontline. Addressing difficulties in business handling for enterprise employees due to long distances and sweltering weather, the branch quickly organized a "Mobile Bank" team to rush to the site. They efficiently handled urgent businesses such as electronic banking activation for customers, allowing employees to enjoy convenient financial services without leaving the factory, truly achieving the goal of "making the service do the traveling so that employees do less legwork."

At the service site, staff not only patiently answered various financial inquiries but also provided hands-on guidance on online operation skills for pain points such as unfamiliarity with online banking and time-consuming reconciliation. This significantly shortened payment, transfer, and reconciliation times, helping to accelerate fund turnover. Simultaneously, based on the enterprise's settlement habits, staff provided in-depth application suggestions such as interbank fund collection, scheduled payments, and automatic download of electronic receipts, assisting the enterprise in optimizing financial management processes and reducing labor costs.





Customer Complaint Management

The Bank has formulated the *Administrative Measures for the Handling of Consumer Complaints of Luzhou Bank* and the *Implementation Rules for Emergency Management of Major Consumer Complaints of Luzhou Bank* , clarifying the responsibilities and requirements for handling customer complaints, strengthening internal process control, and establishing a standardized handling process.

- **Complaint Handling Channel Construction:** A dedicated call center (customer service hotline 96830) has been established, and designated reception areas for consumer complaints have been set up in all business outlets to specifically handle customer inquiries and complaints, ensuring timely responses to customer feedback.
- **Enhancement of Complaint Handling Capability:** The Bank carries out regular specialized training for consumer protection-related posts to continuously strengthen employees' awareness of consumer rights protection and improve their complaint handling capabilities and work standards.
- **Complaint Handling Process:**

Customer service personnel respond immediately after receiving a complaint, generate a work order in the financial consumer complaint management system, and transfer it to the Internal Control and Compliance Department to ensure accurate recording and timely circulation of complaint information.

The Internal Control and Compliance Department clarifies the responsible institution based on the complaint content and distributes it for handling. After the problem is resolved, the responsible institution enters the handling status and results into the complaint management system to form a closed loop.

The Internal Control and Compliance Department audits and confirms the handling process and results of the responsible institution to ensure proper resolution and compliance, then officially closes the work order, providing a basis for continuous service optimization.

During the reporting period:

The Bank handled a total of 38 customer complaints, with no large-scale complaint incidents occurring.

By complaint channel: 6 complaints were handled directly by the Bank, and 32 were referred by regulatory authorities.

By regional distribution: All 38 complaints were within Sichuan Province.

By business category: 34 complaints were related to personal business, and 4 were related to corporate business.

All complaints were concluded in a timely manner, reflecting our high regard for customer demands and its efficient processing capabilities. In the future, we will continue to optimize service quality, enhance customer experience, reduce the occurrence of complaints, and further improve complaint management efficiency.

Financial Knowledge Popularization

To help consumers improve their financial literacy and self-protection capabilities, and to create a favorable financial consumption and market environment, during the reporting period, the Bank specifically organized a series of financial knowledge popularization activities such as the "3.15 Financial Consumer Rights Protection Education and Publicity Activity," "Ten Thousand Miles of Financial Knowledge Popularization," "Month for the Promotion of Prevention of Illegal Financial Activities," and "Financial Education Publicity Week." The Bank actively participated in the "Financial Education Publicity Week Concentrated Publicity Day" jointly hosted by the Luzhou Supervision Sub-bureau of the National Financial Regulatory Administration, the Luzhou Branch of the People's Bank of China, and the Luzhou Municipal Finance Bureau. By continuously enriching publicity forms and innovating content, we promoted the extension of financial education to more fields.

Outlet Publicity Front with Multi-carrier Applications

The Bank gives full play to the role of business outlets as the main front for publicity. In outlet halls, customer waiting areas, and publicity boards, brochures and posters on protecting financial consumer rights, preventing telecommunications network fraud, and staying away from illegal fundraising are uniformly displayed. Slogans such as "Protect Financial Rights, Assist a Better Life" and "Strengthen Risk Awareness, Protect Property Safety" are scrolled on LED screens and advertising screens. Financial knowledge popularization videos and graphic materials are played in a loop on outlet TVs.



Financial Knowledge Mini-Classroom

"Financial Knowledge Mini-Classrooms" are held at outlets. Lobby managers and business personnel use the waiting time of customers to proactively provide risk reminders and "explain risks through cases," guiding customers to fully understand their rights and obligations when purchasing financial products or applying for loans, and to treat key links such as risk assessment and contract signing with caution. Customers are also organized to watch warning case videos on preventing illegal fundraising and participate in online themed publicity activities.

Financial Knowledge Popularization in External Scenarios

- **Publicity in Key Urban Areas:** Publicity points are set up in high-traffic areas such as business districts and communities. Focusing on groups such as the elderly, migrant workers, and students, the Bank explains the forms and characteristics of illegal financial activities like improper anti-collection, malicious debt evasion, illegal loan intermediaries, and fraudulent credit repair in plain language.
- **Publicity Sinking into Rural Areas:** At township fairs and rural cash withdrawal service points, the Bank popularizes knowledge on legitimate financial consumer rights, financial fraud cases, and personal financial information protection to rural consumers through a combination of on-site publicity and surrounding visits, specifically reminding farmers to be alert to high-interest lures and fraudulent investment projects.
- **Publicity Entering Campuses and Families:** The Xuyong Branch conducted one-on-one on-site lectures for families with financial needs or those who have participated in financial activities. The Suining Branch visited campuses to warn parents and students about "campus loans" and training installment fraud risks, popularizing legitimate channels for loans and wealth management.
- **Open Financial Study Experience:** The Meishan Branch, in collaboration with Jinjiang College of Sichuan University, organized a financial study activity, inviting over 50 teachers and students to visit the bank for outlet tours, business experiences, specialized lectures, and interactive Q&A to popularize financial knowledge.

Online Financial Knowledge Popularization

We makes full use of our own platforms such as the official website and WeChat official account to push publicity content on consumer rights protection, prevention of telecommunications fraud, and secure payments. We actively collaborate with social forces to publish themed public welfare advertisements in local mainstream media such as *Chuanjiang Urban* Daily and Luzhou News Network to expand publicity coverage.

Intellectual Property Protection

The Bank attaches great importance to intellectual property protection and continues to strengthen intellectual property management in strict accordance with requirements in documents such as the *Basic System for Legal Affairs of Luzhou Bank* and the *Notice on Standardizing the Management of Intellectual Property.*

- Regarding achievements such as trademarks and patents formed during business management, intellectual property application and registration are carried out in a timely manner;
- For activities such as information technology and advertising that may involve the creation of intellectual achievements, the contracts signed must cover content related to intellectual property protection;
- To avoid infringing on the intellectual property of others, the Bank strengthens the review of external advertisements and information releases, focusing on whether there is any unauthorized use of others' intellectual property, ensuring that external information releases are legal and compliant.

Human Capital Development

The Bank consistently adheres to the "People-oriented" development philosophy and has systematically constructed a multi-dimensional talent development system covering "Attracting, Nurturing, Retaining, Utilizing, and Protecting." We strictly abide by the Labor Law and other relevant laws and regulations, protect the legitimate rights and interests of workers according to law, and are committed to providing employees with a comprehensive training system, clear career development paths, a proactive workplace atmosphere, and a competitive remuneration and benefit system. We strive to create a career platform where employees feel valued, achieve growth, and have a sense of belonging, realizing the common growth of both employees and the Bank.

Recruitment and Employment

Compliance Employment

- We strictly abide by the *Labor Law*, the *Labor Contract Law*, and other relevant laws and regulations, carrying out our recruitment and hiring processes in accordance with applicable provisions. Every applicant is required to provide information regarding their personal details, educational background, qualifications, and work experience. The Human Resources Department hires suitable candidates based on the requirements of the specific positions and duties.
- We strictly prohibit any form of child labor or forced labor and conducts internal supervision of such situations. During the reporting period, no incidents of child labor or forced labor occurred in the Bank.

Anti-discrimination

- The Bank strictly follows legal procedures in carrying out employee recruitment, employment, contract renewal, and termination. We adhere to the principles of equal employment and equal pay for equal work, encouraging and respecting talent diversity. We treat employees of different genders, ages, ethnicities, and cultural backgrounds fairly, and strictly prohibit any form of discriminatory behavior.

Diversity of Employee Structure

As of the end of the reporting period, the Group had a total of 1,977 employees, all of whom were full-time staff, including formal employees and dispatched personnel.

By Gender Distribution

The employee structure remains balanced by gender, with female staff accounting for more than half. There are 896 male employees, accounting for 45.32%, and 1,081 female employees, accounting for 54.68%.

By Age Distribution

Young employees account for a relatively high proportion. The average age is 34.08. Specifically, 657 employees are below the age of 30, accounting for 33.23% of the total; 1,213 employees are aged 30 to 50 (inclusive), accounting for 61.36%; and 107 employees are above 50, accounting for 5.41%.

By Geographic Distribution

Employees based in Luzhou number 1,382, accounting for 69.90% of the total; while those located outside Luzhou total 595, representing 30.10%.

By Educational Background

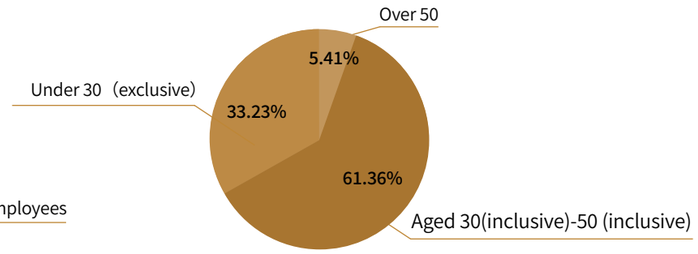
The workforce maintains a high proportion of highly educated talent. Specifically, 429 employees hold a master's degree or above, accounting for 21.70% of the total, including 3 with doctoral degrees; 1,299 employees hold a bachelor's degree, accounting for 65.71%; and 249 employees hold a college diploma or below, accounting for 12.59%.

Employee Turnover

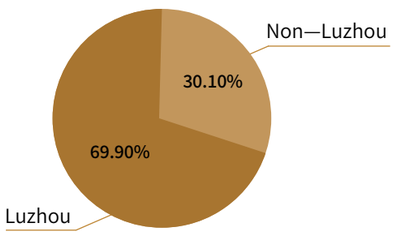
During the reporting period, the Group had 1,977 employees, with 29 employees departing throughout the year. **The turnover rate of 1.47% remained at a relatively low level, reflecting strong talent stability.**

Gender

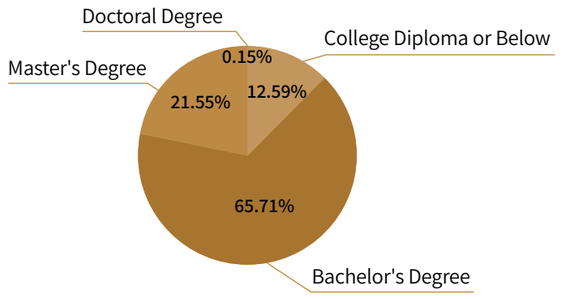
Age



Geographic Distribution



Educational Background



Development and Training

Talent Development System

Adhering to a people-oriented principle, we place high importance on the long-term career development of the employees. To further smooth career progression paths, we have established a dual-track system consisting of a "Management Track" and a "Non-Management Track," with clearly defined promotion rules and requirements to provide institutional safeguards for employee advancement. Rigorous competency assessments and performance evaluations are conducted to ensure the fairness, transparency, and efficiency of the promotion mechanism. Concurrently, we set phased development goals for employees, accurately evaluate their competency levels, and guide them in self-planning, self-improvement, and self-motivation. This stimulates employees' intrinsic drive and deeply unleashes the innovative vitality of both the organization and the people.

School-Enterprise Cooperation to Cultivate Professional Talents

The Bank carries out in-depth cooperation with universities such as Shanghai University of Finance and Economics, Southwestern University of Finance and Economics, and Harbin Institute of Technology. During the reporting period, based on the Bank's development needs, cooperation was established with Harbin Institute of Technology, a national leader in science and technology intelligence. Both parties jointly conducted centralized external training activities for middle management and reserve cadre talents, further expanding the knowledge reserves of employees in the field of technology and promoting the construction of a "Finance + Technology" compound talent team.



Talent Training System

Based on the competency advancement needs of employees at different levels and positions, the Bank has built a layered and diversified talent training system. We have formed a systematic cultivation pattern characterized by "online and offline linkage, combination of internal and external training, consideration of both business and management, mutual supplementation of daily and special programs, and coordination between the head office and branches," comprehensively enhancing employees' work skills.

New Employee Training: Targeting the actual conditions and development needs of new employees, the Bank has specifically adjusted the course structure, optimized teaching methods, and significantly increased practical courses and case studies to help new employees better master relevant knowledge and skills and enhance their position adaptability.

Cultivation of Young Reserve Cadres: The Bank provides a cultivation system for young reserve cadres consisting of "Course Learning, Mentor Guidance, Practical Enhancement, and Team Expansion." We coordinate with functional departments to provide reserve cadres with opportunities to participate in key tasks and major projects, vigorously improving their capabilities and qualities, and optimizing curriculum settings closely around business needs to enhance training relevance.

As of the end of the reporting period, approximately 490 internal and external training sessions were conducted during the year, with over 30,000 participants, achieving **100%** employee training coverage.

By the end of the reporting period

approximately **490**	over **30,000**	**100%**
internal and external training sessions	participants	employee training coverage

Indicator	Unit	2025
Percentage of male employees trained	%	100
Percentage of female employees trained	%	100
Percentage of senior management trained	%	100
Percentage of middle management trained	%	100
Percentage of junior management trained	%	100
Percentage of non-management personnel trained	%	100





Remuneration and Benefits

Improving the Remuneration System

In 2025, we continued to refine and improve our incentive and constraint mechanisms, aiming to facilitate employee growth and progress, enhance corporate efficiency, and promote high-quality development. We operate a market-oriented compensation system based on position-based pay, with performance-related pay capable of increasing or decreasing accordingly. Built upon the dual-track career development system for employees, we have established corresponding dual tracks for compensation advancement, expanding the space for compensation growth for employees in professional roles and creating a bridge for compensation exchange between the management and professional tracks.

Guided by the philosophy of "paying for the position, paying for competence, and paying for performance," we link position-based pay closely to job value and individual capabilities, while performance-related pay is tightly connected to value creation, business contributions, and performance outcomes. This approach not only incentivizes employees to proactively grow and actively enhance their skills but also mobilizes their work enthusiasm and creativity, thereby improving the overall efficiency of the organization.

We contribute to the "five social insurances and one housing fund" for the employees in accordance with relevant legal provisions. Concurrently, in line with regulatory requirements and operational management needs, we have established mechanisms for the deferred payment, clawback, and forfeiture of performance-based compensation, promoting prudent operations and sustainable development.

Optimizing the Benefit System

The Bank strictly adheres to the basic welfare systems established by the national and local governments, contributing to the basic social insurances (including pension, medical, unemployment, work-related injury, and maternity insurance), government-subsidized supplementary medical insurance, and the housing provident fund for the employees in accordance with the law. To enhance employees' sense of belonging and strengthen corporate cohesion, we continuously optimize the welfare guarantee system. Based on our actual circumstances, we have established a reasonable supplementary welfare system, including an enterprise annuity and supplementary medical insurance, to improve employees' retirement benefits and medical security levels, effectively alleviating their medical cost burdens.

Guaranteeing Employee Rest and Leave

The Bank strictly complies with national laws and regulations to fully protect employees' rights to leave. We strictly arrange employees' working hours in accordance with national requirements and pay overtime wages to employees who are required to work on national statutory holidays due to operational needs. Overtime pay for statutory holidays is calculated according to relevant national regulations. We continuously improve the *Measures for the Management of Employee Leave,* fully safeguarding employees' rights to various types of leave, including sick leave, personal leave, marriage leave, maternity leave, paternity leave, parental leave, bereavement leave, home leave, and paid annual leave. We regularly follow up on and compile statistics regarding leave situations across all institutions, and promptly urge them to ensure the timely implementation of employee rest and leave guarantees.

Guaranteeing Employee Health and Safety

The Bank places high importance on employee health and safety management and strictly complies with relevant national regulations. On the basis of purchasing basic medical insurance and work-related injury insurance for employees as required by law, we have established a reasonable supplementary welfare system tailored to the actual circumstances. This includes purchasing supplementary medical insurance for employees to enhance their medical security level and effectively alleviate their medical cost burdens.

Employee Democratic Management

The Bank strictly implements the democratic management system with the Employee Representative Congress as the basic form, and continuously standardizes democratic management mechanisms such as collective negotiation and the disclosure of bank affairs. We extensively listen to employees' opinions and suggestions to maximize their rights to information, speech, and participation.

To effectively enhance the practical results of democratic management, the Bank actively cares for employees' ideological dynamics and difficulties in work and life through regular heart-to-heart talk research, year-end anonymous centralized surveys, and regular visits to the grassroots. Simultaneously, we conduct employee satisfaction surveys and extensively collect suggestions to promote the implementation and long-term effectiveness of the democratic management system with pragmatic actions.

Employee Care

The Bank actively builds a "six-in-one" employee care management system, starting from the six dimensions of ideological care, physical and mental health care, work environment care, career development care, family life care, and spiritual incentive care. We coordinate with the head office, business line management departments, and employing institutions to actively implement employee care, substantively enhancing employees' sense of belonging and happiness.

Establishing smooth feedback channels for employees to share their opinions and suggestions. We pay attention to employee dynamics and needs through one-on-one exchanges and daily visits and research, understanding their opinions, listening to their voices, and actively safeguarding employee rights and interests.

Providing clear career development channels, paths, and learning and enhancement opportunities and platforms for all employees, achieving career development care from multiple perspectives and enhancing employees' sense of direction.

Focusing on "clear levels and varied focus" in gradient assistance, the Bank carries out labor union work such as "Delivering Warmth in Winter," "Delivering Cooling in Summer," assistance for employees in difficulty, and services for outdoor workers on a regular and long-term basis.



Regularly organizing employee physical examinations and emphasizing the improvement of the quality and efficiency of the examination work. Regularly organizing psychological health counseling and training for employees to help them master methods and techniques for pressure regulation and emotional management, alleviating their psychological pressure.

The Bank attaches importance to the spiritual and cultural construction of employees and the improvement of team cohesion. By carefully planning diversified and rich cultural and sports activities, we continue to create a positive, united, and harmonious organizational atmosphere, effectively enhancing employees' sense of belonging, identity, and team spirit.

Actively improving office conditions, setting up complete ventilation, air conditioning, dust prevention, and radiation protection facilities in the workplace, and maintaining a clean and hygienic work environment. We strive to create a good working atmosphere to ensure that employees carry out their work with physical and mental pleasure.

Family Life Care

During the reporting period:

- Continued to conduct traditional festival greetings, sending care and greetings from the labor union to all employees during festivals.
- "Delivering Cooling in Summer" distributed heatstroke prevention and cooling items as well as common household non-prescription medicines to all employees to protect their health.
- Staying close to employees' lives, the "Seven Must-Visits" program greeted employees more than 1,800 person-times throughout the year.
- Carried out "Delivering Warmth in Winter" activities to assist 9 employees in difficulty.

During the reporting period

1,800	9
visits to employees under the "Seven Essential Visits" program	employees were assisted through the "Delivering Warmth in Winter" activities

Spiritual Incentive Care

During the reporting period, more than 100 cultural and sports activities were held across the Bank.

- **Cultural and Sports Activities:** Organized large-scale themed activities such as "Delivering Blessings to Ten Thousand Homes" calligraphy public welfare, Spring Rainbow Run, and "Fate is You" youth networking.
- **Interest Activities:** Vigorously supported labor unions and interest groups in carrying out daily cultural and sports projects such as ball games, yoga, Baduanjin, calligraphy and painting, flower arrangement, and movie watching.
- **Featured Innovative Activities:** Held featured activities close to employees' needs, such as Spring Bonfire Karaoke, E-sports Friendship Matches, Autumn Picking, Script Killing, and themed photography.
- **External Exchanges and Competitions:** Actively organized employees to participate in card games, work-break exercise competitions, and external badminton competitions in the municipal state-owned assets system, showcasing the corporate image and promoting external exchanges.

Supplier Management

The Bank integrates ESG concepts into the entire process of supplier management. By improving the institutional system, strictly auditing admission, and strengthening process control, we build a compliant, green, and sustainable supply chain ecosystem.

Improving the Supplier Management System

- The Bank strictly abides by the *Tendering and Bidding Law of the People's Republic of China*, the *Regulations on the Implementation of the Tendering and Bidding Law of the People's Republic of China*, the *Provisional Regulations on the Management of Centralized Procurement of State-owned Financial Enterprises*, and other relevant laws, regulations, and regulatory provisions. Based on these, we have formulated management systems such as the *Administrative Measures for Centralized Procurement (2025 Revised Edition)*, the *Detailed Rules for the Implementation of Centralized Procurement (2024 Edition)*, and the *Detailed Rules for the Implementation of Supplier Management (2024 Edition)* to strictly standardize supplier management.

Strengthening Supplier Management

- The Bank's procurement system sets strict regulations on supplier selection, auditing, appraisal, exit, and environmental qualification requirements. Suppliers who engage in violations such as falsification, fraud, or seeking to win bids through improper means will be removed from the supplier library and permanently prohibited from being recommended for re-entry.

  During centralized procurement, the Bank strictly follows the provisions of national procurement-related laws and regulations. It is explicitly stipulated in the tender documents that suppliers shall not provide false materials to seek to win bids or provide counterfeit and shoddy products. If it is verified that false bidding materials were provided or products do not meet the Bank's requirements or national industry-related standards, the bid-winning qualification may be cancelled.

  Through a combination of daily and annual appraisals, the Bank regularly carries out comprehensive risk screening and assessment of suppliers, implementing unified clearing management for unqualified suppliers to promote procurement efficiency and optimize the supplier environment. Every procurement project of the Bank is supervised and managed throughout the entire process by the supervision department to ensure the legality and compliance of the project and promote the fairness and justice of supplier selection.

Green and Compliant Procurement

- The Bank explicitly stipulates in the procurement system that priority should be given to energy-saving and environmental protection products. Products provided must meet national environmental requirements and standards according to the specific requirements of the project, and suppliers are required to provide proof of relevant environmental qualifications and occupational health qualifications.

Social Contribution

The Bank actively fulfills the social responsibility of a state-owned enterprise, relying on various branches and employee volunteer teams to practice the philosophy of "Finance for Good," regarding public welfare as a vital path to give back to society and serve people's livelihoods. Through proactively conducting social charitable activities, donating for education, alleviating poverty, and caring for vulnerable groups, the Bank delivers the warmth and depth of financial services.

Caring for Outdoor Workers

The Bank cares for frontline outdoor workers and systematically promotes the construction of an inclusive service system represented by "Labour Union Service Stations" across the Bank, while vigorously carrying out "Delivering Cooling in Summer" special activities. By establishing fully functional rest stations in outlets and communities, we provide convenience and safety safeguards such as drinking water, cooling areas, and emergency supplies for outdoor worker groups like sanitation workers, couriers, and food delivery riders, delivering the warmth and care of Luzhou Bank.

Case Business Department of Chengdu Branch Establishes "Love Station" with Jitai Community

The Business Department of Chengdu Branch actively responded to the call to "care for outdoor workers" by jointly establishing an "Love Station" with Jitai Community to provide heatstroke prevention and cooling services for sanitation workers, couriers, and food delivery riders working under high temperatures. The station is equipped with mineral water, heatstroke prevention medicine, and a dedicated "Xiao Lu Station" rest area for outdoor workers.



Case **Longmatan Branch Establishes "Xiao Lu Station" Shared Service Area**

Luzhou Bank Longmatan Branch utilized outlet resources to build a "Xiao Lu Station" shared service area open to the public, with a focus on caring for outdoor workers such as sanitation workers and couriers. The station is equipped with basic supplies such as tables, chairs, water dispensers, microwave ovens, emergency rain gear, and masks to solve practical problems for outdoor workers such as "difficulty in finding water, resting, and accessing restrooms."

A dedicated service post for outdoor workers was established within the station to proactively provide financial knowledge popularization and risk reminders while they rest, helping workers protect their financial assets.



Case **Meishan Branch Creates "National Most Beautiful Service Station"**

The Meishan Branch Labour Union Station utilizes the Bank's own office space to create a fully functional and elegantly atmospheric rest area for outdoor workers in the vicinity. The station is equipped with more than ten types of convenience facilities, including emergency rain gear, medical kits, water dispensers, microwave ovens, and air conditioning, provided free of charge to outdoor workers.

In terms of station design, it deeply integrates the local "Three Sus" cultural genes. Through upgrading the "Xuetang Bookstore" cultural experience area, the regional cultural context is transformed into a humanistic space with spiritual nourishment functions, providing workers with a sense of belonging.

During the reporting period, the Meishan Branch Labour Union Station was honored with the title of **"National Most Beautiful Service Station."**

During the reporting period

the Meishan Branch Labour Union Station was honored
"National Most Beautiful Service Station"

Supporting Education

The Bank consistently regards supporting the development of education and promoting the growth of youth as important social responsibilities. Through public welfare practices such as establishing special scholarships, improving basic education facilities, supporting professional talent cultivation, and assisting students in difficulty, the Bank contributes financial power to local educational development.

Case **Continuously Supporting "First Sight of West China · Medical Summer Camp for Outstanding High School Students"**

In 2025, the Bank donated RMB 1.20 million to support the "First Sight of West China · Medical Summer Camp for Outstanding High School Students" public welfare project. Co-initiated by the Bank and West China School of Medicine of Sichuan University, the project provides a platform for outstanding high school students to explore medicine and experience West China. As of the end of the reporting period, the Bank has cumulatively donated RMB 3.60 million, supporting the successful holding of three sessions of this project.

Case **Supporting Luzhou "Foundation for the Next Generation" for Six Consecutive Years**

The Bank has donated to the Luzhou Municipal Foundation for the Next Generation for six consecutive years, with a cumulative donation of RMB 15.50 million, including RMB 3 million in 2025. The foundation is dedicated to promoting the healthy growth of adolescents and children. The Bank's continuous financial support has effectively enhanced the foundation's guarantee capacity and assisted in organizing multiple public welfare activities.

Case **Supporting Sichuan Luzhou High School in Improving Gymnasium Facilities**

During the reporting period, the Bank donated RMB 800,000 to Sichuan Luzhou High School specifically for the renewal of gymnasium facilities at its West City Campus. This donation will help the school complete the installation of an air conditioning system, substantively improving venue conditions and creating a safer and more comfortable environment for teachers and students.

Participating in Volunteer Services

The Bank actively organizes and encourages employees to participate in volunteer services, gathering team strength and delivering the spirit of volunteering to pass on warmth and care to society through concrete practices.

During the reporting period, the Bank promoted the normalization of volunteer services by organizing employee volunteers every month to go to Wangshanping Community in Longmatan District to carry out environment cleaning and civilized behavior guidance. We organized employees to participate in voluntary blood donation activities and established "Learn from Lei Feng Volunteer Service Posts" in all business outlets across the Bank to provide convenience services to the public, assist in grassroots community governance, and promote urban spiritual civilization construction.



Social Charitable Donations

The Bank proactively carries out social charitable activities to support local public welfare development. **During the reporting period, the Bank made external donations of RMB 8.92 million, with cumulative donations exceeding RMB 91 million,** continuously investing in key livelihood areas such as education support, rural poverty alleviation, and social governance.

Case Actively Participating in the "One-day Charity Donation" Social Public Welfare Activity in Luzhou

"One-day Charity Donation" is an important public welfare activity organized by the Luzhou Municipal Government to gather social forces and promote common prosperity. For six consecutive years, the Bank actively responded to the initiative of the "One-day Charity Donation" in Luzhou. In 2025, we donated RMB 50,000, contributing to the local livelihood security and the building of a harmonious society.

Case Actively Raising Funds for the "Acts of Bravery" Foundation to Promote Urban Rule of Law and Rule of Virtue

The Luzhou Acts of Bravery Foundation aims to provide comprehensive safeguards in commendation, medical care, life, and education for those who perform acts of bravery and their families. The Bank donated RMB 1 million to the foundation as its start-up capital, assisting in improving the local bravery protection system.

Case Actively Participating in the Public Welfare Activity of "Raising Scholarships for Girls in Difficulty"

The Bank actively mobilized all employees to participate in the public welfare activity of "Raising Scholarships for Girls in Difficulty" initiated by the Luzhou Municipal State-owned Assets Supervision and Administration Commission, collecting a total of RMB 16,422.98 in donations.

Co-building Our Communities

As "the local people's own bank," Luzhou Bank actively participates in local economic and social development. Taking outlets as a bond, we enhance service inclusiveness through the construction of accessible environments; taking action as a commitment, we safeguard livelihood safety in emergency disaster relief; taking culture as nourishment, we assist in the inheritance of local cultural context. With solid operational results, the Bank continues to create jobs and tax contributions, growing together with the community to build a more resilient, vital, and warm home.

Empowering Community Construction

The Bank deeply integrates into community development, extending financial services to livelihood fields such as disaster prevention and culture, and actively practicing social responsibility for co-construction, co-governance, and sharing.

Disaster Prevention and Relief, Safeguarding Home Safety

Faced with sudden disasters in Luzhou, Luzhou Bank has always regarded serving the local area as the mission, persisting in sharing the concerns of the local government and substantively shouldering the social responsibility of a state-owned enterprise.

Case **Luzhou Bank Xuyong Branch Actively Responding to Flood Control and Disaster Relief**

In July 2025, Dashi Town in Xuyong County suffered damage to many rural houses and facilities due to continuous heavy rain. The Xuyong Branch initiated an emergency response immediately, urgently raising and transporting basic living supplies such as pillows, mats, and chargers to provide timely protection for affected residents.



Cultural Inheritance, Nourishing Regional Cultural Context

To support the inheritance and development of local traditional culture and promote the high-quality integration of culture and tourism, the Bank assists in local cultural prosperity through supporting public cultural spaces and cultural heritage protection.

Case **Meishan Branch Upgrading and Creating "Xuetang Bookstore"**

Adhering to the local cultural tradition of "passing down poetry and books to families," the Meishan Branch established a shared bookstore within its outlet. In 2025, the bookstore completed an upgrade and was officially renamed "Xuetang Bookstore." While further enriching the collection, it added a special zone for local writers to promote hometown culture. Relying on this platform, the branch regularly conducts themed reading and exchange activities. "Xuetang Bookstore" has become an important window for the branch to showcase its cultural image and deliver social warmth.





Case **Supporting the Technological Innovation and Upgrade of Luxian Museum**

The Bank donated RMB 2 million to Luxian Museum specifically for the efficiency enhancement and systematic upgrade of its core venues. As a provincial base for cultural research and education, Luxian Museum is a "main front" for cultural inheritance and tourism integration. This donation focuses on immersive experience projects, intelligent guidance systems, and the preventive protection and restoration of precious cultural relics, empowering cultural dissemination with technology.





Construction of Accessible Environments in Outlets

The Bank is committed to building a safe, convenient, and inclusive physical environment so that financial services can benefit the community equally. We continue to promote the construction of accessible environments in outlets, from hardware modification to service optimization, making outlets an inclusive space for connecting with the community.

During the reporting period, the Service Hall of the Business Department and the Suining Branch Business Department were rated as "Sichuan Banking Industry Standardized Service Five-star Demonstration Outlets."



All business outlets of the Bank are equipped with accessibility channels, Braille keyboards and business manuals, restrooms for special groups, priority seats, and guide dog entry prompts.



Accessibility channels at the entrance of the business hall



Priority windows (Green Channels)



Braille keys
on password keyboards



Disclosure of
assistance telephone numbers



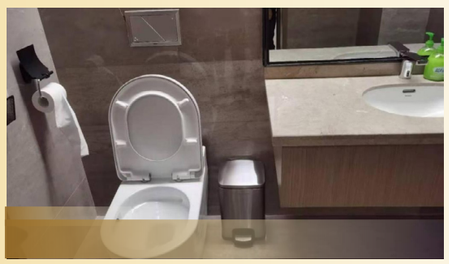
Guide dog
entry reminders



Braille
manuals



Braille keys on
self-service machines



Restrooms specifically
for special groups

Social Performance Table

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Customer					
Service Scale	Number of business outlets	Number	39	41	41
	Number of county-level outlets	Number	6	6	6
	Number of outlets with accessibility channels	Number	39	41	41
	Number of self-service equipment	Unit	486	515	522
	Total number of retail customers	10,000	140.24	147.71	158.05
Service Quality	Number of customer complaints across all channels	Case	57	46	38
	Average service response time	Minute	12	10	9
Employee[13]					
Employee Employment	Total number of employees	Person	1,445	1,598	1,977
	Number of employees by gender				
	Female employees	Person	816	907	1,081
	Male employees	Person	629	691	896
	Number of employees by age				
	Under 30 (exclusive)	Person	386	518	657
	Aged 30(inclusive)-50 (inclusive)	Person	951	981	1,213
	Over 50	Person	108	99	107

[13] **Employee data is presented at the Group level.**

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Employee[13]					
Employee Employment	Number of employees by region				
	Employees in Luzhou area	Person	1,028	1,119	1,382
	Employees in non-Luzhou area	Person	417	479	595
	Number of employees by employment type				
	Full-time employees	Person	1,445	1,598	1,977
Employee Safety	Number of work-related fatalities	Person	0	0	0
	Rate of work-related fatalities	%	0	0	0
	Number of work-related injuries	Person	0	2	0
	Working hours lost due to work-related injuries	Hour	0	55	0
Employee Turnover Rate	Employee turnover rate	%	2.9	2.1	1.47
	Employee turnover rate by gender				
	Male employee turnover rate	%	3.2	0.7	1.34
	Female employee turnover rate	%	2.7	1.4	1.57
	Employee turnover rate by age				
	Under 30 (exclusive)	%	5.4	1.2	3.04
	Aged 30(inclusive)-50 (inclusive)	%	2.2	0.9	0.74
	Over 50	%	0.0	0.0	0.0

[13] **Employee data is presented at the Group level.**

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Employee[13]					
Employee Turnover Rate	Employee turnover rate by region				
	Luzhou area	%	2.8	1.4	1.66
	Non-Luzhou area	%	3.1	0.7	1.0
Supplier					
Number and Distribution of Suppliers	Total number of suppliers	Number	680	611	173
	Suppliers in Luzhou area	Number	228	156	79
	Suppliers in non-Luzhou area	Number	452	455	94
Supplier Audit	Supplier audit coverage rate	%	100	100	100
Social Contribution					
Public Welfare and Charity	Total external donations	RMB 10,000	1,226.60	652.14	892.00
	Number of public welfare projects	Case	16	13	9
Rural Revitalization	Amount invested in rural revitalization	RMB 10,000	278.60	105.14	75.00

[13] **Employee data is presented at the Group level.**

05 GOVERNANCE

01 Party Leadership
02 Corporate Governance
03 Risk Prevention and Control
04 Compliance and Internal Control Management
05 Transparent Governance
06 Governance Performance Table

With an advanced corporate governance framework as the core support, we adhere to the organic integration of the Party's leadership and corporate governance. We leverage the leadership of Party building to consolidate development synergy and continuously strengthen the foundation of trust for shareholders and various stakeholders. By firmly adhering to the bottom line of law-based and compliant operations and persevering in the prevention and resolution of major financial risks, we provide inexhaustible momentum for achieving long-term sustainable development.

GOVERNANCE

Party Leadership

We consistently adhere to the overall leadership of the Party, ensuring high-quality development through high-quality Party building. We prioritize the Party's political construction and strengthen theoretical armament to ensure unity of thought and action across the Bank. The leadership of the Party is fully integrated into corporate governance, allowing the Party Committee to fully play its role as the leadership and political core. By fortifying the organizational foundation, strictly regulating intra-Party activities, and effectively enhancing organizational functions, we provide strong political and organizational safeguards for the Bank's development.

Adhering to the Party' s Leadership

- We unswervingly implement the *Regulations on the Work of Primary-level Party Organizations in State-owned Enterprises of the Communist Party of China*, giving full play to the leading role of the Bank's Party Committee in "setting the direction, managing the overall situation, and ensuring implementation." We remain committed to the Party's leadership over state-owned enterprises, uniting and leading all Party members and employees to profoundly understand the decisive significance of the "Two Establishes," strengthening the "Four Consciousnesses," firming the "Four Confidences," and achieving the "Two Upholds," thereby ensuring that the principles, policies, and major deployments of the Party and the state are implemented within Luzhou Bank.

Strengthening Theoretical Armament

- We consistently prioritize the Party's political construction, conducting in-depth study of *Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era* and earnestly implementing the spirit of General Secretary Xi Jinping's important instructions during his inspection in Sichuan. We persist in the "First Item" system, strengthen the learning organization of the Theoretical Study Center Group of the Party Committee, and carry out solid training and education for Party members, effectively arming minds, guiding practice, and promoting work with the Party's innovative theories.

Persisting in the Integration of Party Building and Operations

- The Bank integrates Party building into all stages of corporate governance involving the "Two Meetings and One Layer" (Shareholders' General Meeting, the Board of Directors, and Senior Management). We strengthen the Party's leadership within the improvement of corporate governance, strictly implementing requirements such as "integrating Party building into the Articles of Association," "Dual Responsibility", and "Two-way Access and Cross-appointment." We further refine the rules of procedure for the Party Committee and Executive Meetings to ensure that the leading core role of the Party Committee, the scientific decision-making role of the Board of Directors, and the management role of Senior Management form the greatest synergy.

Implementing Solid Organizational Construction

- The Bank carries out Party organizational construction in a down-to-earth manner, ensuring the provision of high-quality Party building personnel and the allocation of funds and venues for Party activities. We thoroughly study the *Several Norms on Political Life within the Party under the New Situation* and earnestly implement requirements such as the "Three Meetings and One Lesson" system, heart-to-heart talks, democratic appraisal of Party members, democratic life meetings, organizational life meetings, and the dual organizational life for leading cadres. We continuously strengthen the seriousness of intra-Party organizational activities and advance the standardization of primary-level Party organizations to effectively enhance their political and organizational functions.

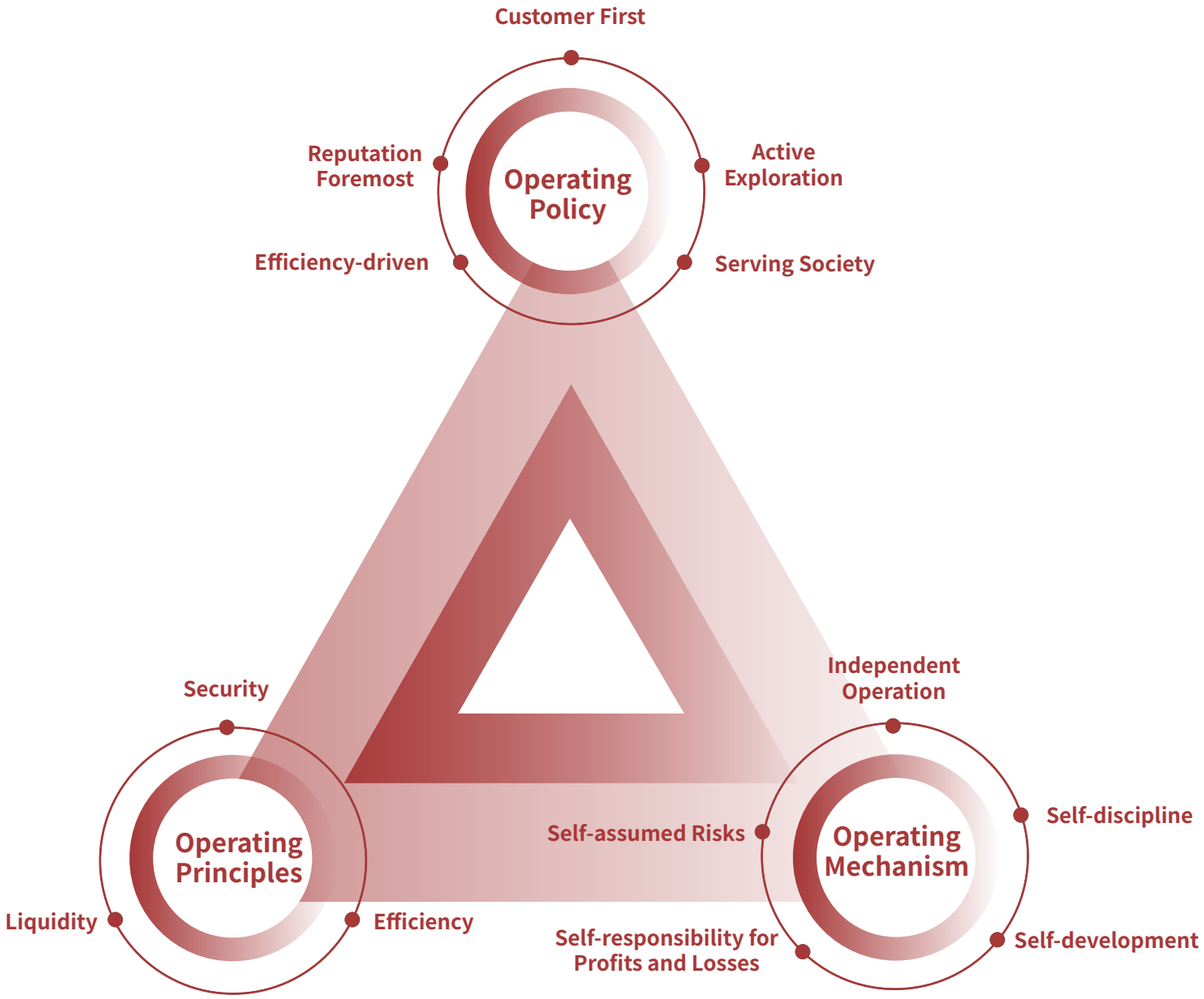
Corporate Governance

The Bank strictly complies with the requirements of laws and regulations such as the *Company Law of the People's Republic of China,* the *Commercial Banking Law of the People's Republic of China,* the *Banking Supervision and Administration Law of the People's Republic of China,* the *Code of Corporate Governance for Listed Companies,* and the *Corporate Governance Guidelines for Banking and Insurance Institutions.* We improve the supervision mechanism of the "Two Meetings and One Layer" and enhance governance efficiency through the construction of a professional and diversified Board of Directors, achieving stable operations and sustainable development while serving local economic construction.

Operational Objectives

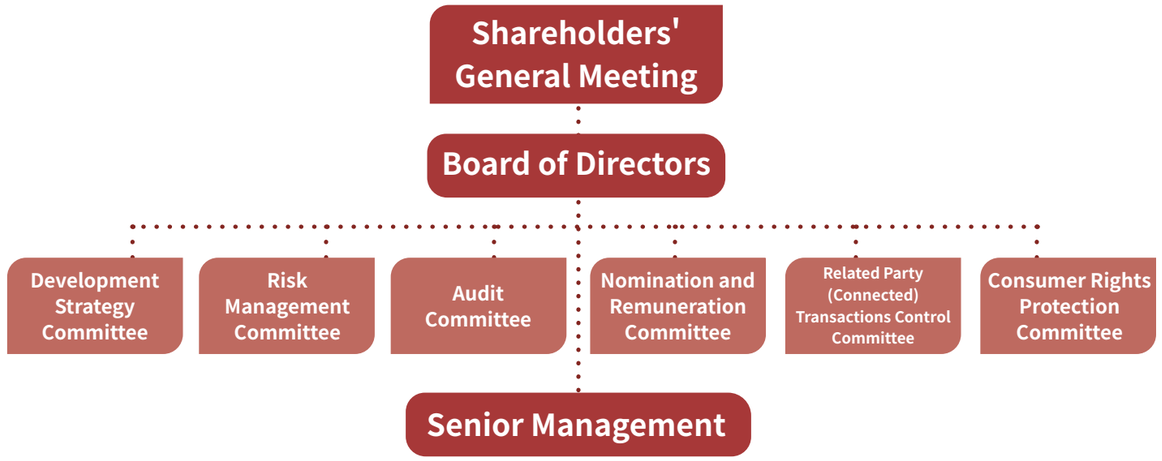
The Bank anchors its targets on high-quality development, unswervingly promoting business transformation and continuously optimizing its asset structure. We continue to reduce liability costs and increase the proportion of high-quality customers through innovative measures. We further strengthen full-process control over credit risks and proactively prevent reputational risks. We continue to increase investment in the field of Fintech to solidify the Fintech foundation. Closely centering on the Chengdu-Chongqing Twin-City Economic Circle and Luzhou' s "One Core, Two Wings" characteristic development strategy, the Bank actively integrates into the overall regional economic development. In the process of serving the local economy, we strive to build a city commercial bank with distinct characteristics, achieving coordinated development and win-win results for both the Bank and the regional economy.

Responsibility and Operational Objectives: Law-based and compliant operations; customer-centric and market-oriented; risk prevention as the premise and structural adjustment as the means; reform as the driving force and technology as the guide; and efficiency as the goal. We aim to maximize capital appreciation, create optimal returns for shareholders, and promote social and economic prosperity as well as various undertakings.



Governance Structure and Duty Performance

The Bank strictly follows regulatory requirements such as the *Corporate Governance Guidelines for Banking and Insurance Institutions* and the *Listing Rules of the Stock Exchange of Hong Kong Limited*. We have constructed a corporate governance structure of "Two Meetings and One Layer" composed of the Shareholders' General Meeting, the Board of Directors, and Senior Management. Combined with the Bank's actual work, six specialized committees have been established under the Board: the Development Strategy Committee, Risk Management Committee, Audit Committee, Nomination and Remuneration Committee, Related Party (Connected) Transactions Control Committee, and Consumer Rights Protection Committee.



- **Shareholders' General Meeting:** As the organ of power, the Shareholders' General Meeting exercises the right to decide on major matters of the Bank according to law.

  During the reporting period, the Bank held a total of 2 Shareholders' General Meetings, including 1 Annual General Meeting and 1 Extraordinary General Meeting. Seventeen proposals were reviewed and approved, including the *Annual Report 2024*, the *Work Report of the Board of Directors for 2024*, and the *Profit Distribution Plan for 2024.* The meeting also heard the evaluation of major shareholders and the Board of Supervisors' evaluation of capital management and liquidity risk management duty performance.

- **Board of Directors:** As the decision-making body, the Board of Directors is responsible to the Shareholders' General Meeting.

  During the reporting period, the Bank held 20 Board meetings, including 9 on-site meetings and 11 meetings by way of written resolution. Eighty-one proposals were reviewed or heard, including annual business plans and financial budget schemes, with 68 proposals approved and 13 proposals heard or reviewed.

Board Diversity

- The Bank has specially formulated a Board Diversity Policy to ensure that the Board achieves an appropriate balance in terms of skills, experience, and diversified perspectives, assisting in the achievement of the Bank's sustainable development and improving corporate governance.

  To promote Board diversity, the selection of Board members comprehensively considers multi-dimensional factors such as gender, region, industry experience, skills, knowledge, and educational background. All Board appointments are based on meritocracy, with a commitment to maintaining and accepting directors of different backgrounds, cultures, and genders, fully taking into account the benefits of Board diversity based on objective conditions.

  As of the end of the reporting period, the Board of Directors included 2 female directors and 8 male directors.

Name	Gender	Age	Date of Joining the Bank	Position	Tenure as Director Starting
You Jiang	Male	52	July 2014	Executive Director and Chairman	August 28, 2014
Liu Shirong	Male	59	October 1997	Executive Director and President	February 22, 2010
Pan Lina	Female	42	May 2019	Non-executive Director	December 31, 2019
Xiong Guoming	Male	63	February 2010	Non-executive Director	February 22, 2010
Luo Huoming	Male	49	September 2022	Non-executive Director	March 13, 2023
Chen Ping	Female	53	September 2022	Non-executive Director	March 13, 2023
Zhong Jin	Male	64	May 2020	Independent Non-executive	November 30, 2020
Cheng Rulong	Male	56	September 2022	Independent Non-executive Director	March 13, 2023
Han Zirong	Male	62	May 2024	Independent Non-executive Director	November 4, 2024
Fan Jingdong	Male	56	October 2024	Independent Non-executive Director	April 27, 2025

Director Independence

- As of the end of the reporting period, there were 4 independent directors in the Board, accounting for 40% of the total number of directors. Among the specialized committees under the Board, the Chairmen of the Audit Committee, Nomination and Remuneration Committee, Related Party (Connected) Transactions Control Committee, and Consumer Rights Protection Committee are all independent directors. The qualifications, number, and proportion of independent directors all comply with the relevant regulations of the National Financial Regulatory Administration and the HKEX.

Director Professionalism

Board members all possess solid professional literacy and rich duty performance experience.

- **Mr. You Jiang, Executive Director and Chairman:** Has many years of experience in financial supervision and commercial bank governance, and is familiar with financial industry policies, regulations, and risk management system construction requirements.
- **Mr. Liu Shirong, Executive Director and President:** Has deeply cultivated the field of commercial bank operation and management for over thirty years, accumulating rich practical experience in credit management, financial management, internal control compliance, and overall bank operations.
- **4 Non-executive Directors:** Ms. Pan Lina, Mr. Xiong Guoming, Mr. Luo Huoming, and Ms. Chen Ping provide diversified industrial perspectives and practical suggestions for the Board's strategic decisions, drawing from their professional accumulations in industrial project operation, industrial investment and industry-finance integration, regional economy and SOE management, and financial control.
- **4 Independent Non-executive Directors:** Mr. Zhong Jin, Mr. Cheng Rulong, Mr. Han Zirong, and Mr. Fan Jingdong, relying on their expertise in financial risk management, asset disposal, audit supervision, accounting/finance, and listed company governance, perform their supervision duties from an independent and objective stance to safeguard the scientific nature and fairness of Board decisions.

Risk Prevention and Control

Risk Management Structure

The Bank has constructed a risk management system with clear responsibilities and collaborative governance, clarifying the risk management responsibilities of each subject to ensure the orderly progress of comprehensive risk management work.

- **Board of Directors:** Assumes ultimate responsibility for the Bank's comprehensive risk management. Responsible for establishing a risk management culture, approving risk management strategies and risk appetite, reviewing major risk management policies and procedures such as the basic system for comprehensive risk management, and supervising Senior Management in conducting comprehensive risk management.

- **Committees under the Board:**

  Risk Management Committee: Responsible for supervising Senior Management's control over credit risk, liquidity risk, market risk, operational risk, compliance risk, and reputational risk. It conducts regular assessments of the Bank's risk policies, management status, and risk tolerance, and provides suggestions for improving risk management and internal control.

  Audit Committee: Assumes supervisory responsibility for comprehensive risk management. Responsible for supervising and inspecting the duty performance of the Board and Senior Management in risk management and urging rectification.

- **Senior Management:** Assumes implementation responsibility for comprehensive risk management. Responsible for establishing a management structure adapted to comprehensive risk management; formulating and improving risk management policies and procedures; establishing execution and accountability mechanisms for risk management strategies, risk appetite, and risk limits; and supervising/handling violations of risk management policies and procedures.

  To enhance professionalism, we established a Comprehensive Risk Management Committee and 6 specialized risk management committees under Senior Management: the Credit Risk Management Committee, Liquidity Risk Management Committee, Market Risk Management Committee, Operational Risk Management Committee, Reputational Risk Management Committee, and Information Technology Risk Management Committee.

- **Head Office Risk Management Department:** Responsible for coordinating the Bank's comprehensive risk management work.

- **Functional Departments:** Execute risk management policies and procedures according to management functions and are responsible for risk management within their respective business fields.

- **Branches:** Identify, evaluate, monitor, and control various risks within their institutions during operation and management according to various risk management systems.

Risk Management Systems

We have established a comprehensive risk management institutional system, including:

Basic System for Comprehensive Risk Management	Administrative Measures for Risk Appetite
Administrative Measures for Risk Limits	Administrative Measures for Stress Testing
Administrative Measures for Strategic Risk	Administrative Measures for Liquidity Risk
Administrative Measures for Market Risk	Administrative Measures for Interest Rate Risk in the Banking Book
Administrative Measures for Reputational Risk	Administrative Measures for Capital Management
Administrative Measures for Comprehensive Accountability	Administrative Measures for Non-performing Assets
Basic System for Liability Quality Management	Implementation Rules for Credit Risk Monitoring and Warning
Implementation Rules for Risk Classification of Financial Assets	Implementation Rules for Market Risk Emergency Management
Implementation Rules for the Division of Banking Book and Trading Book	Liquidity Risk Contingency Plan
Implementation Rules for Standing Lending Facility (SLF) Business	

Risk Management Measures

Risk Appetite Management

Formulation of Risk Appetite

We determine our risk appetite based on the spirit of the central, provincial, and municipal economic work conferences, combined with guiding opinions from regulatory, inspection, and audit authorities, and centering on the Bank's five-year development plan and annual operating plan.

Adopting a combination of qualitative and quantitative methods, we provide quantitative descriptions of our risk appetite for quantifiable indicators such as earnings, capital, liquidity, credit risk, market risk, and operational risk, clarifying target values and warning values. For major risk categories that are difficult to quantify, such as strategic risk, reputational risk, and information technology risk, qualitative descriptions are provided.

Monitoring of Risk Appetite

Different monitoring frequencies—ranging from real-time and daily to quarterly—are set based on different indicators. Monitoring and implementation status of indicators are reported to Senior Management and the Board of Directors every quarter.

Evaluation of Risk Appetite

The suitability and effectiveness of risk appetite are evaluated annually, with adjustments made after deliberation by the Board of Directors when necessary.

Warning Management of Risk Limit Indicators

- We set risk limits according to the macroeconomic situation and regulatory requirements, combined with our own risk appetite and risk status.
- When risk limits approach or breach regulatory indicators, we promptly analyze the causes and formulate solutions. Simultaneously, we report the reasons for exceeding limits, the corrective measures taken and planned, and the results of disposal to the Comprehensive Risk Management Committee. If the Bank's risk appetite are breached simultaneously, it must be further reported to the Board of Directors. If the risk limits required by regulations are breached simultaneously, a report must also be submitted to the regulatory authorities.

Normalized Risk Control and Emergency Drills

- The Bank conducts risk analysis on a quarterly basis, monitoring and reporting on risk indicators such as concentration, and systematically identifying large risk exposures as well as the distribution of risks across industries, regions, customers, and guarantee methods. On this basis, we conduct annual assessments of capital and liquidity adequacy. Taking full account of the mutual influence between risks, we regularly conduct joint emergency drills to respond to liquidity and reputational risks.
- The Bank's risk management adheres to the principle of full coverage, encompassing all local and foreign currency, on- and off-balance sheet, and domestic and overseas businesses; covering all Head Office departments, branches, positions, and personnel; covering all risk categories and their mutual influences; and covering all management stages of decision-making, execution, and supervision.

Liquidity Risk Control

Liquidity risk is the lifeline for the steady operation of a commercial bank and one of the risks receiving focused attention. We consistently place liquidity risk management at the core of our operation and management, establishing a complete liquidity risk management system.

Improving Monitoring and Warning Mechanisms: We formulated systems related to liquidity risk monitoring and warning to continuously monitor liquidity-related indicators. During the day, designated personnel are assigned to strengthen fund position management to ensure the Bank has sufficient liquidity to satisfy customers' payment needs in a timely manner.

Refining the Emergency Disposal System: We formulated a *Liquidity Risk Contingency Plan*, presetting potential liquidity risk pressure scenarios and the emergency measures to be taken under corresponding scenarios. At least one liquidity risk emergency drill is conducted annually to test and evaluate the contingency plan, strengthening the ability of all institutions to respond rapidly to liquidity risk events.

Strengthening Stress Testing Management: On the basis of conducting quarterly regular liquidity risk stress tests, we carry out targeted non-periodic tests based on changes in the external operating environment, such as sharp market fluctuations. Based on test results, we evaluate our liquidity risk control capability under preset pressure scenarios and take timely improvement measures to prevent liquidity risk when necessary.

Digital Empowerment of Risk Management

The Bank proactively promotes the digital transformation of risk management, building a multi-dimensional risk management information system matrix capable of risk identification, monitoring, measurement, and reporting at the individual risk level, enhancing the precision and efficiency of risk management through technology empowerment.

Information systems in various risk fields are fully equipped:

- **Credit Risk:** Equipped with an Intelligent Risk Analysis System, Credit Risk Control Strategy Management System, and Impairment and Valuation System under the New Financial Instruments Standards.
- **Operational Risk:** Equipped with an Operational Risk Management System, Anti-fraud System, and Post-supervision System.
- **Liquidity Risk:** Equipped with a Liquidity Risk Management System.
- **Compliance Risk:** Equipped with an Anti-money Laundering (AML) System and Related Party Transaction Management System.
- **Information Technology Risk:** Equipped with an O&M Monitoring System, Automated O&M System, and Disaster Recovery Automated Switching Management System, among others.

Enhancement of Digital Risk Control Capability

The Bank has built a multi-dimensional, full-chain digital risk control system featuring "Anti-fraud + AML + Intelligent Decision-making + Risk Analysis," achieving full-process digital risk management from pre-loan credit approval and limit management to mid-loan monitoring and post-loan warning, further enhancing digital risk control capabilities.

- Integrating multi-channel data to establish anti-fraud rule models and strengthen operational risk control.
- Building AML models and rule bases based on customer, account, and transaction data to achieve automated warning and reporting of large and suspicious transactions.
- Utilizing intelligent decision engines to achieve rapid strategy iteration and enhance the response efficiency of risk control.

Compliance and Internal Control Management

Compliance Management

We have formulated specialized compliance management rules and regulations, clarifying the compliance management responsibilities assumed by each level and department, and improving the organizational structure for compliance management. Requirements for compliance culture and system construction, compliance review, compliance inspection and rectification, compliance training and education, compliance appraisal and accountability, and compliance risk management and reporting are clarified. We have built a compliance operation mechanism with sound systems and clear responsibilities to continuously improve the effectiveness of compliance management, ensuring the Bank's law-based, compliant, and steady operation.

During the reporting period, no major compliance risk events or significant administrative penalties occurred in the Bank.

Compliance Management Organizational Structure

Party Committee

Provides overall leadership and coordinates the Bank's compliance management work; promotes the establishment of a compliance governance mechanism characterized by "scientific regulation-making, strict enforcement, conscious compliance, and severe punishment for violations"; and is responsible for deliberating major compliance management matters.

Board of Directors

Assumes ultimate responsibility for compliance management; responsible for reviewing and approving basic compliance management systems; advocates and promotes the construction of a compliance culture bank-wide; approves compliance management reports; evaluates the effectiveness of compliance management work regularly; and makes decisions on major compliance management matters.

Senior Management

Assumes implementation responsibility for compliance management; responsible for coordinating the construction of compliance culture, improving the compliance institutional system, and clarifying the organizational structure for compliance management. Responsibilities include approving compliance work plans, hearing compliance management reports, promptly disposing of and correcting compliance risk events, and proposing accountability suggestions for non-compliant behaviors. Simultaneously, Senior Management must report major non-compliance matters to the Board of Directors in a timely manner.

Head Office Internal Control and Compliance Department

Acts as the leading unit for compliance management bank-wide, responsible for coordinating system construction, review and evaluation, and inspection management; formulating and driving the implementation of compliance work plans; organizing bank-wide compliance training and risk monitoring; and continuously tracking regulatory dynamics and docking with regulatory requirements to systematically enhance the Bank's compliance governance level.

Head Office Internal Audit Department

Assumes supervisory responsibility for compliance management, responsible for conducting regular audits on the compliance of the Bank's various business activities.

Head Office Departments and Branches

Assume direct responsibility for compliance management; responsible for formulating, implementing, and dynamically optimizing relevant systems, processes, and schemes based on business development and reality. Each department must establish a sound compliance review mechanism within its scope of responsibilities, conduct regular compliance inspections and track rectifications, and report compliance implementation status promptly. Simultaneously, they continue to organize internal compliance training and risk education, and systematically carry out identification, evaluation, and monitoring of compliance risks to ensure that compliance requirements are integrated into all links of operation and management.

Compliance Control of Cross-border Business

- We have established a system covering key areas such as balance of payments reporting, AML, and counter-terrorist financing (CTF), including the *Implementation Rules for Corporate Foreign Exchange Remittance Business of Luzhou Bank,* the *Implementation Rules for Statistics and Reporting of Balance of Payments and Reporting of Domestic Receipt and Payment Information of Luzhou Bank*, and relevant compliance management processes for cross-border business. Regular training on foreign exchange compliance risks is conducted to continuously improve the compliance awareness and operational standardization of practitioners, ensuring that cross-border business is conducted in accordance with national policies and regulatory requirements.

Case

Chengdu Branch Conducts 2025 AML and Cross-border Business Compliance Training Conference

To comprehensively improve the professional literacy of personnel in the AML and cross-border business lines and build a solid defense line for compliant operation and risk control, the Chengdu Branch conducted a "2025 Special Training on AML and Cross-border Business Compliance" in June 2025. This training covered 170 employees from relevant business lines, with content focusing on core issues such as regulatory policy dynamics, customer due diligence (CDD), monitoring of large and suspicious transactions, cross-border sanction compliance, and foreign exchange business practices. Through a combination of theoretical explanation and real-case teaching, the training systematically enhanced employees' compliance awareness and practical skills, providing a solid guarantee for fortifying the business compliance defense line and promoting the steady development of cross-border business.





Internal Audit

Internal Audit Supervision and Safeguard

- Internal audit is the third line of defense for the Bank's comprehensive risk management, playing an independent and objective role in supervision, evaluation, and consultation. According to the *Basic System for Comprehensive Risk Management*, the Internal Audit Department incorporates comprehensive risk management into the scope of internal audit and has formulated the *Medium-to-long-term Audit Plan (2023—2027)* and annual audit work plans. Audits are conducted every three years on liquidity risk, operational risk, information technology risk, credit risk, and reputational risk. Audit findings are fully communicated with the management, and audit reports are submitted to the Board of Directors.

Audit Institutional System

We have constructed a three-level internal audit institutional system with clear layers and defined powers and responsibilities

Level 1 Basic Management System: *Internal Audit Charter of Luzhou Bank,* governing the overall audit work.

Level 2 System: *Administrative Measures for Internal Audit Projects of Luzhou Bank*, standardizing the full-process management of audit projects.

Level 3 System: *Implementation Rules for Internal Audit of Consumer Rights Protection of Luzhou Bank, Implementation Rules for Internal Audit of AML of Luzhou Bank, Implementation Rules for Internal Audit of Information Technology of Luzhou Bank,* and *Implementation Rules for Outgoing (Economic Responsibility) Audit of Luzhou Bank,* refining audit operational standards in various fields.

Accountability Institutional System

We established a systematized comprehensive accountability management mechanism and standardized accountability procedures

Level 2 System: *Administrative Measures for Comprehensive Accountability of Luzhou Bank (2022 Edition)* and *Administrative Measures for Accountability for Non-compliant Operation and Investment (2021 Edition).*

Level 3 System: *Implementation Rules for Accountability for Non-performing Credit Assets of Luzhou Bank (2022 Revised Edition).*

Audit System Construction and Application Effectiveness

- The Bank's audit system has been docked with business systems such as core banking and credit, utilizing audit models to continuously monitor loan credit risks and front-office operational risks. Full-process online management of audit projects has been achieved. Through the dynamic compilation of audit cases, audit key points, and audit evidence, the practicality and effectiveness of audit projects have been improved.

Internal Control

Internal Control Structure

We have constructed an internal control structure with distinct levels and clear powers and responsibilities. We have formed an internal control governance and organizational framework under the overall leadership of the Board of Directors and Senior Management, with the Internal Control and Compliance Management Committee under Senior Management coordinating the advancement, the Head Office Internal Control and Compliance Department leading the management, the Internal Audit Department providing independent supervision, and all departments and branches ensuring comprehensive implementation.

Internal Control Measures

We have formulated systematic internal control systems, processes, and methods, and improved multi-dimensional internal control measures covering business management, position setting, personnel management, authorization management, and information systems.

- Clarified risk control points and standardized processes for various businesses by improving the institutional system and conducting regular evaluations and revisions;
- Implemented the separation of incompatible positions, executed post rotation or mandatory leave for personnel in key positions, and strengthened the supervision of employee behavior as well as the reporting, investigation, and handling of abnormal behaviors;
- Established a dynamic authorization system to clarify the authority of institutions at all levels for handling businesses and matters;
- Strictly implemented accounting standards and systems, regularly reconciled various accounts, vouchers, and statements, and conducted inventories of physical assets such as cash and securities as well as important vouchers;
- Standardized the risk assessment process for the establishment of new institutions and the launch of new businesses, clarified that core functions such as strategic management and risk management shall not be outsourced, and improved the customer complaint handling mechanism;
- Constructed an efficient information communication mechanism and business continuity management system, formulated human resources policies conducive to sustainable development and a scientific institutional performance appraisal system, and cultivated a positive corporate culture to provide all-round safeguards for internal control.

Internal Control Evaluation and Supervision

- We have established a normalized internal control evaluation mechanism, conducting internal control evaluations annually and internal control audits as appropriate. We have strengthened the supervision of weak links in internal control. Internal control deficiencies identified are reported by each institution through specified paths, with responsible departments for rectification clarified and work processes standardized to promote the continuous improvement of the internal control system.

Anti-corruption and Incorruptibility

We strictly abide by the *Commercial Banking Law of the People's Republic of China*, the *Banking Supervision and Administration Law of the People's Republic of China,* the *Provisional Regulations on the Prohibition of Commercial Bribery*, and other relevant laws and regulations. We continue to promote the construction of the anti-corruption and incorruptibility system, strengthen discipline enforcement and accountability, and foster anti-corruption awareness.

During the reporting period, all cadres and employees were organized to sign the *Responsibility Letter for the Construction of a Clean Party Style and a Punishment and Prevention System of Luzhou Bank*, with a coverage rate of 100%. No corruption-related litigation occurred in the Bank.

Maintaining High Pressure and Deepening Rectification and Accountability

- We adhere to the strategic goal of integrally promoting the mechanism where "one dares not, cannot, and does not want to be corrupt." We implement General Secretary Xi Jinping's important instruction to "resolutely investigate and handle corruption behind various risks," deepening supervisory efficiency and the principle of "promoting rectification through cases." We strictly handle case investigations and punish corruption with a zero-tolerance attitude.

Deepening Incorruptibility Education and Fortifying the Ideological Foundation

Strengthening Warnings with Typical Cases

Deeply practicing the requirement of "educating those around with surrounding matters," we selected the latest 2025 warning education series *Anti-corruption for the People* and organized Party members and cadres to watch. This involved 23 primary-level Party branches and 550 viewers.

Distributed over 500 copies of the *Discipline Education Cases for Party Members and Cadres* reader, providing specialized reminders against violations such as irregular drinking and gambling.

Organized 50 leading cadres at or above the middle management level to visit the Luzhou Municipal Intermediate People's Court for the "Lufa Qilin · Warning Education Classroom" to observe the trial of duty-related crimes, guiding leading cadres to firmly establish an awareness of professional integrity.

Focusing on Key Areas through Layered Education

Board members led by example to shape the Bank's incorruptibility culture, with 10 person-times participating in anti-corruption training.

Conducted incorruptibility talks with over 20 person-times and signed over 20 incorruptibility commitment letters for personnel in high-risk positions such as bidding and financial management.

Conducted incorruptibility talks with 61 person-times of newly promoted cadres, warning education for over 110 person-times of new employees, and held 25 incorruptibility Party lessons with over 600 person-times of attendees.

Held 12 warning education meetings with 874 participants.

Signed 197 commitment letters for observing rules and disciplines during external training.

Implementing Incorruptibility Warnings

Organized 10 visits to warning education bases or incorruptibility culture bases with 612 participants.

Conducted 11 person-times of incorruptibility home visits. Utilized "Spring Festival, May Day, Mid-Autumn Festival, and National Day" to issue incorruptibility reminder graphics and typical cases to all Party members and cadres, achieving 100% coverage of Party members and promoting strict implementation of the code of conduct: "abiding by laws and regulations, handling matters impartially, maintaining integrity and self-discipline, and serving the people."

Anti-money Laundering (AML)

The Bank strictly abides by the *Anti-money Laundering Law of the People's Republic of China*, the *Counter-terrorism Law of the People's Republic of China*, the *Notice of the People's Bank of China on Strengthening Relevant Work for Anti-money Laundering Customer Identification*, the *Administrative Measures for the Reporting of Large-value Transactions and Suspicious Transactions by Financial Institutions*, and other relevant laws and regulations. We continuously improve the Bank's *Basic System for AML, Administrative Measures for Large-value and Suspicious Transaction Reporting,* and *Administrative Measures for Customer Money Laundering and Terrorist Financing Risk Assessment and Classification*, strengthening the construction of Luzhou Bank's AML management system.

AML Governance Structure

The Board of Directors, Senior Management, Head Office departments, and branches strictly follow the division of labor determined by the *Basic System for AML of Luzhou Bank*, implementing responsibilities at each level and earnestly performing AML duties.

- The Board of Directors assumes ultimate responsibility for money laundering risk management; the Audit Committee of the Board assumes supervisory responsibility; and Senior Management assumes implementation responsibility.
- An AML Leading Group was established at the Head Office as the leading and coordinating body for AML work bank-wide.
- The Security Department established the Leading Group Office, responsible for the overall management of AML work.
- An AML Monitoring Center was established under the Security Department, equipped with full-time personnel responsible for monitoring.
- Branches and each first-level branch established their own AML Leading Groups and designated AML positions.

AML Technical Support

- Based on the development of AML regulatory situations and changes in money laundering crime characteristics, the Bank launched the construction of a new AML system in April 2023. Since its completion, the new system has significantly improved the monitoring precision of suspicious transactions and the overall prevention and control efficiency of AML work through the continuous optimization of monitoring models and user experience, providing solid technical support for the continuous improvement of AML performance quality.

Transparent Governance

We have constructed a transparent governance system with information disclosure as the foundation, investor relations as the core, and regulatory communication as the safeguard. We strictly follow domestic and overseas regulatory provisions to ensure true, accurate, and timely disclosure. We maintain effective communication with investors through diversified channels to substantively protect shareholders' rights and maintain regular communication with regulatory authorities to continuously improve compliance.

Information Disclosure

We strictly follow internal and external regulations such as the *Listing Rules* of the HKEX, the *Administrative Measures for Related Party Transactions of Banking and Insurance Institutions* of the former CBIRC, and the *Provisional Measures for Information Disclosure* of the Bank to ensure that information is true, accurate, and timely. The scope of disclosure includes periodic financial reports (annual/interim/quarterly), major investments, related party transactions, and core contents such as corporate governance and risk management.

Information Quality Assurance

- All disclosure documents are reviewed by domestic and overseas lawyers, the Hong Kong company secretary, and the internal compliance department, and fulfill internal approval procedures. Annual reports are further audited by professional auditing institutions. Periodic reports are disclosed in bilingual versions within specified timeframes, and extraordinary matters are disclosed immediately.

Diversified Disclosure Channels

- We disclose our significant information through multiple channels in accordance with the principles of accuracy, timeliness, truthfulness, and completeness.

Report Disclosure

We timely prepared and disclosed core documents such as the *Annual Report 2025* and the *ESG Report*. We strictly controlled the timeliness of extraordinary announcements. During the reporting period, more than 60 periodic reports and extraordinary announcements were timely disclosed on the disclosure website of the HKEX and the Bank's official website. These were issued in both Chinese and English, covering key areas such as operating dynamics and major matters, fully safeguarding the right to know of shareholders and investors.

Daily Communication

We established dedicated telephone lines and consultation mailboxes, creating a closed-loop management ledger for inquiries. Throughout the year, we received over 400 person-times of shareholders on-site and answered over 1,000 inquiry calls, efficiently solving various problems and harmonizing relationships with multiple parties. No major public opinion risks occurred throughout the year, maintaining a steady operating image.

By the end of the reporting period

over **400** person-times of shareholders received on-site

over **1,000** inquiry calls answered

Results Presentations

For two consecutive years, the President has led a team to Hong Kong to conduct results presentations. These meetings balanced the demands of domestic and overseas institutions and small and medium investors, safeguarding the rights of all types of investors to obtain information equally and express their demands fully.



During the reporting period, we carefully planned and completed the Hong Kong roadshow for the *2024 Annual Results Presentation.* By studying peer experiences and refining activity links, we conducted in-depth communication with domestic and overseas investors through data interpretation and interactive exchanges, comprehensively displaying operating results and development potential to enhance the Bank's brand influence in the capital market.



Safeguarding Shareholder Rights

We highly value the protection of investor rights and the maintenance of investor relations, strictly complying with the *Listing Rules,* the *Articles of Association,* and the *Rules of Procedure for Shareholders' General Meetings* to ensure shareholders enjoy rights and perform obligations equally based on their share types and proportions. The Office of the Board of Directors, as the investor relations management department of the Bank, coordinates the relevant work.

Safeguarding Shareholders' Equal Decision-making Rights

We strictly follow the *Listing Rules*, the *Articles of Association*, and the *Rules of Procedure for Shareholders' General Meetings* to make resolutions at Shareholders' General Meetings, consistently taking fairness and openness as core principles to ensure shareholders'rights are fully protected. The overall process is standardized and transparent, fully safeguarding the rights of all shareholders to participate in decision-making equally and maintaining the legality and fairness of the resolutions.

- Strictly implementing director attendance requirements to ensure the attendance rate complies with corporate governance and regulatory requirements, safeguarding the effectiveness and seriousness of Shareholders' General Meeting decisions.
- When organizing meetings, we comprehensively consider the situations of domestic and overseas shareholders, rationally arranging meeting formats, and announcing meeting notices through the HKEX disclosure platform, the company's official website, and designated newspapers before the statutory deadline.
- Meeting materials are reviewed by domestic and overseas lawyers, the Hong Kong company secretary, and the compliance department to ensure they are true and accurate.
- Resolution announcements fully disclose the voting results of each proposal to implement transparency requirements.
- To enhance shareholder participation, we proactively promote proxy voting. Shareholders may entrust proxies to exercise voting rights according to law, and all authorization documents undergo compliance review. The voting process follows the principle of "statutory authorization with clear scope" and is witnessed by domestic and overseas lawyers, the share registrar, and shareholder representatives to ensure compliant authorization and traceable, authentic voting results.
- During the meeting voting process, related shareholders are strictly required to abstain from voting on related matters.
- We promptly announce the voting results of Shareholders' General Meetings through the HKEX disclosure platform and our official website for market supervision by shareholders.

Safeguarding Shareholders' Right to Know

- Through HKEX announcements, the investor relations section on the official website, and periodic reports, we timely disclose key information such as major business decisions and financial status. We have established a daily consultation response mechanism to ensure that shareholders' right to know and decision-making rights regarding major matters are fully protected, effectively safeguarding their legitimate rights and interests.

Safeguarding Shareholders' Right to Earnings

- We strictly follow the profit distribution provisions of the *Articles of Association* to substantively safeguard shareholders' right to earnings. For the years 2022-2024, we have achieved cash dividends for three consecutive years. The distribution plans were cash dividends of RMB 0.08 per share (tax inclusive), RMB 0.09 per share (tax inclusive), and RMB 0.12 per share (tax inclusive), respectively. The cash dividend ratios were 26.92%, 24.6%, and 25.57%, with a cumulative dividend amount of RMB 788 million over the three years, continuously improving shareholders' sense of gain while balancing shareholder returns and long-term development.

Regulatory Communication

The Bank adheres to the communication principle of proactive docking and active response to regulatory concerns. We efficiently coordinate with the Financial Regulatory Bureau, the People's Bank of China, and other regulatory departments. Through full cooperation in specialized inspections, research, and data submission, we solidly promote the implementation of regulatory requirements in key areas such as inclusive finance and anti-money laundering. We proactively rectify problems pointed out by regulators, building a good regulatory relationship based on mutual trust and providing a solid guarantee for the Bank's steady development.

Governance Performance Table

Dimension	Key Performance Indicator	Unit	2023	2024	2025
Corporate Governance					
Board of Directors	Number of independent non-executive directors	Person	4	4	4
	Average attendance rate of Board meetings	%	97.13%	97.16%	96.89%
Risk & Compliance					
Compliant Operation	Number of compliance training sessions	Time	1	1	1
	Person-times of compliance training coverage	Person	100	255	243
	Major violation events	Case	0	0	0
Business Ethics					
Anti-corruption	Number of anti-corruption training sessions	Time	3	3	9
	Number of corruption-related litigations	Case	0	0	0
Anti-money Laundering	Number of AML training sessions	Time	4	2	4
Anti-unfair Competition	Number of anti-unfair competition cases	Case	0	0	0

Appendix

HKEX ESG Reporting Guide Index

Aspect	Content	Disclosure Section
A. Environmental		
A1 Emissions	**General Disclosure:** Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. **Notes:** ① Air emissions include NOx，SOx, and other pollutants regulated under national laws and regulations. ② Hazardous wastes are those defined by national regulations.	Green Operations — Green Office and Green Travel
	A1.1 The types of emissions and respective emissions data.	Environmental Performance Table
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Table
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Table
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	Green Operations — Green Office and Green Travel
	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.	Green Operations — Green Office and Green Travel
A2 Use of Resources	**General Disclosure:** Policies on the effective use of resources, including energy, water and other raw materials. **Note:** Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Green Operations — Green Office and Green Travel

Aspect	Content	Disclosure Section
A. Environmental		
A2 Use of Resources	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Performance Table
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Performance Table
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Operations — Green Office and Green Travel
	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.	Green Operations — Green Office and Green Travel
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference per unit produced.	Green Operations — Green Office and Green Travel
A3 The Environment and Natural Resources	**General Disclosure:** Policies on minimising the issuer' s significant impacts on the environment and natural resources.	Green Operations — Green Office and Green Travel
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operations — Green Office and Green Travel
B. Social		
Employment and Labor Practices		
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.	Human Capital Development — Recruitment and Employment

Aspect	Content	Disclosure Section
B. Social		
Employment and Labor Practices		
B1 Employment	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Human Capital Development — Recruitment and Employment
	B1.2 Employee turnover rate by gender, age group and geographical region.	Social Performance Table
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.	Human Capital Development — Remuneration and Benefits
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Social Performance Table
	B2.2 Lost days due to work injury.	Social Performance Table
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Human Capital Development — Remuneration and Benefits
B3 Development and Training	**General Disclosure:** Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. **Note:** Training refers to vocational training. It may include internal and external courses paid by the employer.	Human Capital Development — Development and Training
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Human Capital Development — Development and Training
	B3.2 The average training hours completed per employee by gender and employee category.	Human Capital Development — Development and Training

Aspect	Content	Disclosure Section
B. Social		
Employment and Labor Practices		
B4 Labour Standards	**General Disclosure:** Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Human Capital Development — Recruitment and Employment
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Human Capital Development — Recruitment and Employment
	B4.2 Description of steps taken to eliminate such practices when discovered.	Human Capital Development — Recruitment and Employment
B5 Supply Chain Management	**General Disclosure:** Policies on managing environmental and social risks of the supply chain.	Green Operations — Green Procurement and Green Supply Chain
	B5.1 Number of suppliers by geographical region.	Social Performance Table
	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.	Green Operations — Green Procurement and Green Supply Chain
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Green Operations — Green Procurement and Green Supply Chain
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green Operations — Green Procurement and Green Supply Chain

Aspect	Content	Disclosure Section
B. Social		
Employment and Labor Practices		
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.	Consumer Protection — Consumer Rights Protection, Data Security and Privacy Protection, Optimizing Products and Services
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable
	B6.2 Number of products and service related complaints received and how they are dealt with.	Consumer Protection — Customer Complaint Management
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Consumer Protection — Intellectual Property Protection
	B6.4 Description of quality assurance process and recall procedures.	Not Applicable
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Consumer Protection — Data Security and Privacy Protection
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.	Compliance and Internal Control Management — Anti-corruption and Incorruptibility, Anti-money Laundering
	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.	Compliance and Internal Control Management — Anti-corruption and Incorruptibility

Aspect	Content	Disclosure Section
B. Social		
Employment and Labor Practices		
B7 Anti-corruption	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Compliance and Internal Control Management — Anti-corruption and Incorruptibility, Anti-money Laundering
	B7.3 Description of anti-corruption training provided to directors and staff.	Compliance and Internal Control Management — Anti-corruption and Incorruptibility
Community		
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.	Social Contribution,Co-building Our Communities
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Contribution
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Social Performance Table

Reader Feedback Form

Dear Readers,

Thank you for reading the *Environmental, Social and Governance Report 2025 of Luzhou Bank Co., Ltd.* We sincerely look forward to your evaluation of Luzhou Bank's ESG work and this report. Your comments and suggestions will help us continue to promote our ESG management and practices, and constantly improve the level of our ESG information disclosure. You can fill in the following content and provide feedback to us through the following methods.

Thank you very much!

Luzhou Bank Co., Ltd.
March 2026

Address: Building 1, No. 18, Section 3, Jiucheng Avenue, Jiangyang District, Luzhou, Sichuan Province
Telephone: 0830-2362606
Email: ir@lzccb.cn

Your Information:

Name: _____

Position:

Telephone:_____

Email: _____

Your overall evaluation of this report is:

☐ Excellent ☐ Good ☐ Average ☐ Fair ☐ Poor

What do you think of the accuracy, completeness, timeliness, and clarity of the information disclosed in this report?

☐ Excellent ☐ Good ☐ Average ☐ Fair ☐ Poor

Do you think the content arrangement and style design of this report are easy to read?

☐ Excellent ☐ Good ☐ Average ☐ Fair ☐ Poor

Which aspects of the issues are you concerned about?

What information do you think needs to be understood but is not reflected in the report?

What suggestions do you have for this report in terms of content or form?

Do you have any other comments on the work of Luzhou Bank in terms of environment, social, and governance?