LUCION

山東省國際信託股份有限公司

Shandong International Trust Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code: 1697



2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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About This Report

Reporting Scope

Unless otherwise stated, this report covers Shandong International Trust Co., Ltd. (hereinafter referred to as "SITC", the "Company" or "we").

Reporting Period

Unless otherwise specified, the period covered for this report is 1 January 2025 to 31 December 2025 (hereinafter referred to as the "Reporting Period").

Reporting Cycle

This report is prepared annually.

Basis of Preparation

This report has been prepared by the Company in accordance with the Environmental, Social and Governance Reporting Code (hereinafter referred to as "ESG Reporting Code") described in Appendix C2 of the Rules Governing the Listing of Securities (hereinafter referred to as the "Listing Rules") on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") and Environmental, Social and Governance (ESG) Disclosure Guidelines for the Trust Industry, for the purpose of disclosing the comprehensive performance of SITC in creating value for shareholders and customers and fulfilling its social responsibility proactively. This report should be read together with the "Corporate Governance Report" section from the 2025 Annual Report of the Company and the "Corporate Social Responsibility" section of the Company's official website for a more comprehensive understanding of the Company's environmental, social and governance performance.

This report complies with the "comply or explain" provisions set out in the ESG Reporting Code.

Source of Information

The financial data in this report are extracted from the 2025 Annual Report of SITC, while other information and data are sourced from the internal management documents and statistical information of the Company. Unless otherwise indicated, the currency denominated in this report is Renminbi (hereinafter referred to as "RMB").

Access to this Report

This report is issued in the form of printed version and electronic version. The printed version is available for inspection by the Company's shareholders and stakeholders at the Company's Office of the Board of Directors; the electronic version can be downloaded from the official website of the Company (www.sitic.com.cn) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Board's Statement

The year 2025 was a pivotal year for the trust industry for deepening transformation and enhancing quality and efficiency under the guidance of new regulatory frameworks. It was also a year of forging ahead for SITC, as we upheld our mission as a listed company, deepened our ESG practices, and stayed true to our original aspiration in finance. Throughout the year, we firmly adhered to the political and people-oriented nature of our financial work, and fully integrated Environmental, Social, and Governance ("ESG") principles into our strategic planning and the entire operational management process. By systematically advancing compliant operations, innovative development, and social responsibility performance, we demonstrated our commitment as a listed company in serving national strategies, empowering social development, and safeguarding shareholder value. Ultimately, we delivered an ESG performance characterized by both high quality and genuine social impact.

> We stayed true to our roots to empower the long-term steady growth of the real economy

A strong foundation leads to a thriving business. Deep roots lead to distant reaches. We have consistently adhered to the fundamental positioning of the trust industry. Anchored our original mission of "gathering capital to revitalise Shandong", we focused on two main themes: serving national strategies and deepening regional development. We actively promoted the "five major areas" of finance, injecting continuous financial momentum into the high-quality development of the real economy. In 2025, maintaining a commitment to integrity and innovation, we successfully launched the first pension consumption prepaid funds service trust and the first data asset service trust. Leveraging its distinct innovative features, outstanding social value, and industry demonstration effect, our flagship green trust business was named one of the "2025 Top 10 Typical Cases of Green Trusts" by the China Trustee Association. Through professional practice, we demonstrated industry responsibility; through innovative achievements, we showcased the warmth of finance.

> We promoted philanthropy and demonstrated corporate social responsibility of a listed company

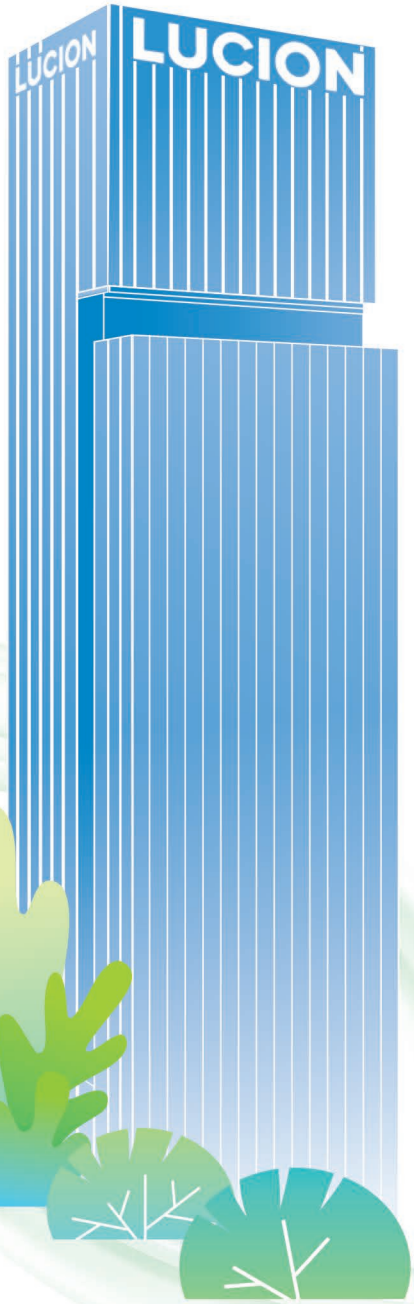
Compassion serves as a guiding light illuminating our path forward, while a profound sense of responsibility empowers us to shoulder the mission of our times. We continued to deepen our practices in charitable trusts, constantly enriching product forms and innovating operational models to make charitable trusts a vital financial vehicle for delivering warmth and empowering public welfare. In 2025, rooted in our original philanthropic aspirations, we innovatively established multiple specialised charitable trusts covering diverse fields such as educational assistance, poverty alleviation, and support for vulnerable groups, channeling financial resources to nourish philanthropic endeavors and support the disadvantaged. As of the end of 2025, SITC had established and registered a total of 76 charitable trusts, with a cumulative delivery scale of RMB197 million. We continued to deepen the "Finance + Charity" integration model, actively participating in public welfare initiatives and organising employees to engage in volunteer services. Gathering individual sparks to form a galaxy of hope, and warming hearts through acts of kindness, we have taken concrete actions to pass on the power of love and fulfill our social responsibilities.

> We innovated models and optimised services to enhance social governance

Fully leveraging the unique advantages of the trust system, we drove breakthroughs through innovation and empowered society through our services. We continuously iterated our trust service models and expanded service boundaries, deeply integrating trust tools into various areas of social governance. Whether in safeguarding public well-being, mitigating regional risks, or enhancing governance efficiency, we demonstrated the warmth of finance and our responsibility as a listed company. In 2025, targeting the critical pain points in social governance, we applied targeted efforts and achieved critical breakthroughs, successfully launching innovative models such as the property management prepaid funds service trust and the corporate account management service trust, creating replicable and scalable best practices within the industry. Proactively shouldering the responsibility of regional risk mitigation, we successfully bid for the "Zibo Zhongrong Xinda Bankruptcy Restructuring Service Trust" project. By leveraging the power of trusts to empower the modernisation of social governance, we fostered a mutually reinforcing and prosperous relationship between financial services and social governance.

As time moves forward, new chapters are written; with an unwavering aspiration, we march steadily ahead. Looking back at 2025, we fulfilled our mission with the original dedication and took firm steps on the path of ESG practices. Looking ahead to a new starting point for high-quality financial development, we bear a heavy responsibility and a profound mission, and we must seize the momentum and strive for excellence. SITC will remain true to its original financial aspiration, fulfill its mission in the trust industry, and forge ahead with united efforts. Through more professional financial services, firmer accountability, and more pragmatic actions, we will propel the Company's high-quality development to new heights. We remain dedicated to contributing our utmost to building a modern financial system with Chinese characteristics, driving regional economic revitalisation, promoting sustainable socio-economic development, and achieving the goal of common prosperity!

About SITC



Shandong International Trust Co., Ltd. was established as a non-bank financial institution in March 1987, with the approval of the People's Bank of China and the People's Government of Shandong Province, and is currently a director member of the China Trustee Association. The controlling shareholder of SITC, Shandong Lucion Investment Holdings Group Co., Ltd., is an important state-owned backbone financial institution managed by the Shandong Provincial Party Committee, as well as an important investment and financing entity and asset management platform in Shandong Province. In December 2017, the Company was listed on the Hong Kong Stock Exchange (Stock Code: 1697.HK), becoming the first domestic trust company listed on the international capital market.

Since its establishment, SITC has remained committed to its positioning as trustee, adhered to the development strategy of "interconnection" of its trust business and inherent business, fully leveraged its advantages in trust business, and effectively connected the money market, capital market, and the real economy. Centering on the guidance of the "new three-category classification" reform, SITC established three major business divisions: capital market, wealth management, and family trust, developed asset service trusts, asset management trusts, and charitable trusts based on its endowment and bearing its characteristics, and created a "stable and robust" and "specialised and refined" business system. It has business and wealth management teams in multiple central cities across China, establishing the development pattern of "taking root in Shandong, spreading to the whole country and establishing presence across the globe". SITC adheres to the "customer-centric" principle, proactively fulfils the mission of a state-owned enterprise, undauntedly shoulders social responsibilities, resolutely returns to the origins of trust, continuously improves Fintech capabilities, actively takes on responsibilities and initiatives in serving green development and rural revitalisation and supporting charitable causes, making contributions to supporting high-quality economic development and serving the people's efforts to create a better life.

The Company's development has gained recognition and praise from all corners of society, having received numerous awards such as "Financial Innovation Award of Shandong Province", "Best Innovative Trust Company", "Integrity Trust – Innovation Leadership Award", "Most Valuable Financial Stock Company", "Best Corporate Governance Award", "Best Information Disclosure Award", "Shandong Socially Responsible Enterprise", "3 • 15 Integrity Financial Brand", and "Shandong Charitable Award • Most Influential Charity Program", and conferred the honorary title of "Advanced Company Contributing to Financial Development of Shandong Province" by the government of Shandong Province. These awards positively prove that we enjoy wide recognitionand high acclaiminthe society.

SITC excels at seizing opportunities and audaciously meeting challenges. Guided by the 15th Five-Year Plan, we will actively comply with regulatory direction and market demands, stick to our role as trustee, resolutely return to the origins of trust, bravely undertake the mission of "supporting the real economy, serving people's livelihood and well-being, and fulfilling social responsibility". We are committed to becoming a leading specialised fiduciary institution in targeted market segments with significant regional influence, creating greater value for shareholders, customers, employees and other stakeholders.

Annual Honor

Top Ten Green Trust Cases in 2025

China Trustee Association,
Xinhua Finance

Outstanding Social Responsibility Trust Company in 2025

Securities Times

Excellent Practices of Listed Companies for Rural Revitalisation in 2024

China Association for Public Companies,
China Foundation for Rural Development

3 • 15 Integrity Financial Brand

Dazhong Daily

Outstanding ESG Cases of Shandong Enterprises in 2025

ql1d.com

The Fifth Gold Honour Award • Trust Company with Outstanding Regional Influence

Pystandard

Shandong Intellectual Property Service Workstation for High-level Talents

Shandong High-level Talent Service Alliance

The 4th Golden Bull Award in Trust Sector "Golden Bull Award for Family Trust"

China Securities Journal

2024 Shandong Provincial Cybersecurity Innovation Cases

Cyberspace Administration of Shandong Provincial Party Committee and Shandong Provincial Big Data Bureau

Comprehensive Service Trust Company with Outstanding Competence, Family Trust Brand with Outstanding Competence

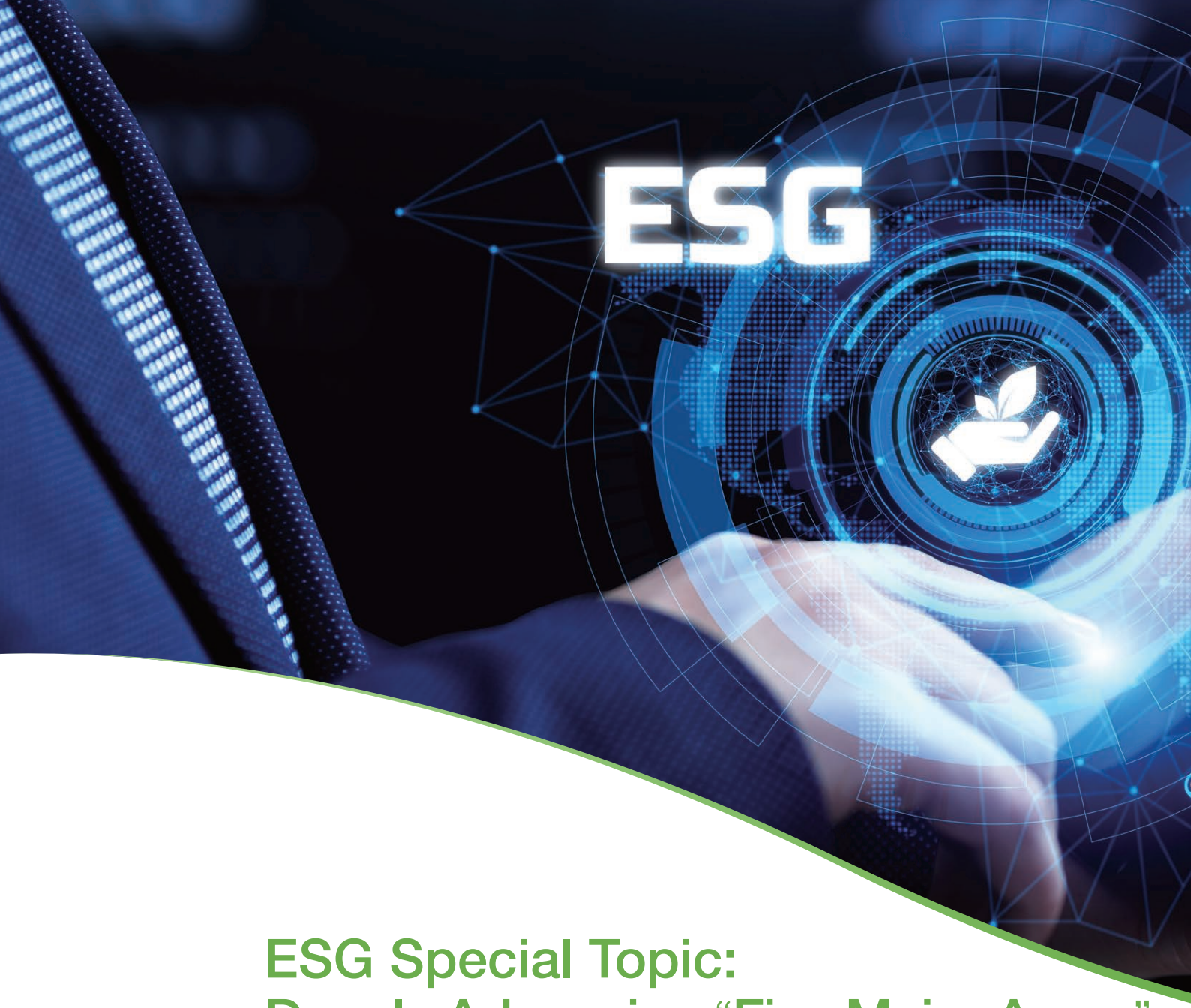
China Business Journal

The 18th "Shanghai Securities · Integrity Trust" Best Wealth Management Service Trust Product Award

Shanghai Securities News

Advanced Collective of Shandong Monetary Society in 2024

Shandong Monetary Society



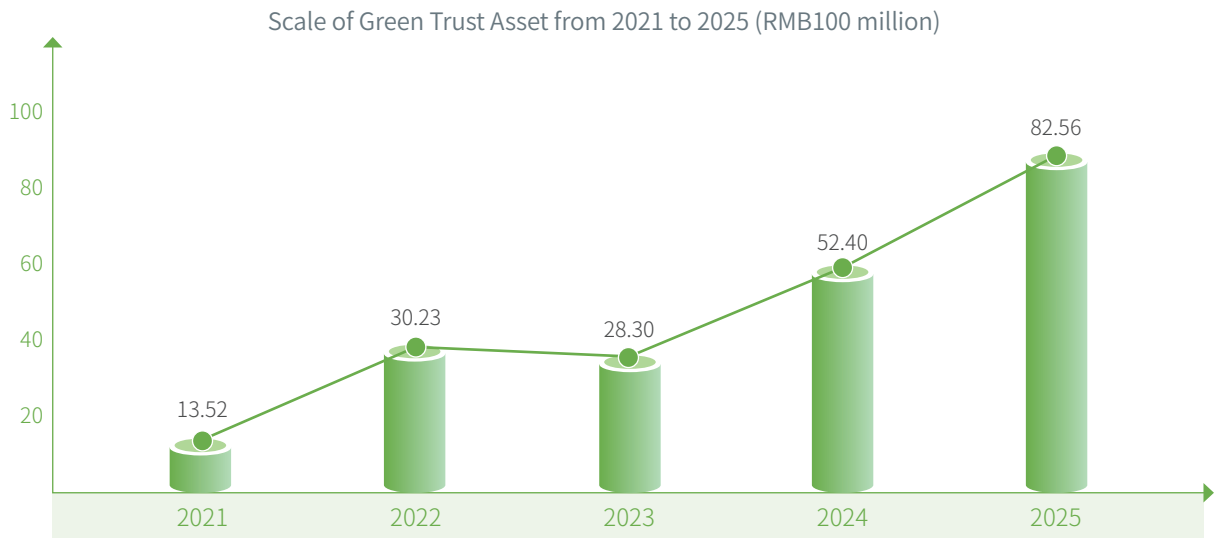
ESG Special Topic: Deeply Advancing “Five Major Areas”

SITC has thoroughly implemented the General Secretary Xi Jinping’s important instructions on the promotion of “five major areas”, namely green finance, pension finance, technology finance, digital finance and inclusive finance. Leveraging the trust system’s flexible and multi-market functional advantages, the Company focused on such five major areas as green development, people’s livelihood and elderly care, technological innovation, small and micro enterprises and digital transformation, taking the “five major areas” as the core approach to serving the real economy and deepen the supply-side reform of the financial sector. It systematically planned the business layout and accelerated the transformation and development.



Green finance

SITC continuously increased financial support for green industries such as clean energy, energy conservation and emission reduction, and pollution prevention and control. At the end of 2025, the existing scale of green trust exceeded RMB8 billion, representing a net increase of over RMB3 billion from the beginning of the year, with a strong growth momentum and hitting a new historical high.



Case **The green trust project was awarded as one of the "Top Ten Typical Cases of Green Trust in 2025"**

In December 2025, the first green-certified "CCER carbon asset income right project" in China issued by SITC was awarded as one of the "Top Ten Typical Cases of Green Trust in 2025" by the China Trustee Association. The project focused on the carbon asset income right to carry out structured innovation, effectively activating the corporate carbon assets, and providing flexible and targeted financial service support for the development of green industries. During the review session at the case launch conference, the relevant experts from the Ministry of Ecology and Environment noted that the project design was forward-looking, with pure green attributes and significant practical promotion value.





▲ CCER carbon asset income right project

Pension finance

SITC seized the historic opportunity of the accelerated advent of a deeply aging society, and made a comprehensive and systematic layout of the pension trust. On the one hand, it vigorously expanded the comprehensive service of “pension + insurance + succession”. For family trusts/family service trusts, pension distribution clauses were included in certain contracts to realise the service function of allowing beneficiaries to regularly receive pensions upon reaching the agreed age, helping clients achieve “care for the elderly”. For insurance trusts, it collaborated with insurance companies and health and wellness institutions to explore the integrated development path of “insurance trust + elderly care services”, gradually realised such functions as direct payment of elderly care service fees and supervision of health and wellness services, and built a comprehensive trust service system covering the entire life cycle. At the end of 2025, the scale of insurance trusts managed by the Company with the pension purpose exceeded RMB35.8 billion. On the other hand, it carried out multi-scenario exploration in the elderly care field. The Company conducted research on such two scenarios as public welfare elderly care and prepaid pension funds, successfully implemented business operation, contributing trust strength to the construction of the elderly care service system and the development of the elderly care industry in Shandong province.

Case Innovatively launching the public welfare elderly care service trust

In September 2025, SITC, in collaboration with Shandong Lucion Public Welfare Foundation, jointly established “Lucion Public Welfare Elderly Care Service Trust No. 1”, built a closed-loop model of “public welfare + elderly care + finance” to support inclusive elderly care services such as elderly canteens, making basic elderly care services more reliable and convenient. Subsequently, the service trust will collaborate with other public welfare elderly care projects to enhance the sustainability of elderly care services and effectively strengthen the sense of gain, happiness and security of the elderly.



▲ Lucion public welfare elderly care service trust No. 1

Case Implementing the prepaid pension consumption fund service trust

In December 2025, SITC launched the “prepaid fund service trust for health and wellness”. As the first prepaid fund service trust for elderly care consumption in Shandong province, the project realised the closed-loop management and full-process supervision of prepaid funds for elderly care consumption through collaboration with medical health and wellness institutions, ensuring the property security of “silver-haired” consumers, which not only significantly improves the credibility of cooperative elderly care institutions, but also achieves the unity of social benefits and commercial sustainability of pension trusts simultaneously.





▲ Prepaid fund service trust for health and wellness

Technology finance

SITC focused on technology innovation enterprises in Shandong province, especially strategic emerging industries, gazelle enterprises and specialised, refined, distinctive and innovative enterprises. It actively addressed the mismatch between "light assets, high risks and long cycles" of technology enterprises and the traditional financial supply through product innovation, model adaptation and ecological collaboration, to promote a virtuous technology – industry – finance cycle. By virtue of the professional capabilities and practical achievements in the intellectual property service field, the Company was recognised as the "Shandong Intellectual Property Service Workstation for High-level Talents" by Shandong High-level Talent Service Alliance. Following the establishment of the service workstation, the professional level of intellectual property services for high-level talents and scientific and technological talents in Shandong province will be improved through service trusts, helping technology-based enterprises break through the key links in the management and transformation operation of scientific research achievements.



Case The first intellectual property service trust in the data technology field in Shandong Province

In January 2025, SITC launched the "intellectual property service trust for smile data technology", which is the first intellectual property service trust in the data technology field in Shandong Province. It was dedicated to breaking through the key areas and critical links of scientific research achievement transformation and operation for technology-based enterprises. The project focused on actual needs of the settlor, conducted in-depth communication, multi-party research and repeated refinement, designed and built a service system of "technology manager + financial advisor + legal counsel support for intellectual property". Building on the foundation of ensuring the security of intellectual property assets, it effectively addressed the settlor's needs for the centralized management, profit distribution and account supervision of the income from the patents held, by further applying the trust "toolbox", providing differentiated financial services, achieving the "value protection, mechanism guarantee and interest locking" throughout the entire life cycle of intellectual property.

Digital finance

SITC is committed to building a more resilient, inclusive and responsible smart financial ecosystem, deeply integrating technological innovation with the ESG concepts, so that technological innovation can deeply serve the pursuit of broader social values while enhancing commercial efficiency. Externally, we enhance the inclusiveness and warmth of financial services through platformisation and ecologicalisation. Internally, we strengthen the defense line of corporate governance and operational safety through digitalization and automation, striving to become a trusted model of smart finance.

Case Exploring the value of data resources to empower the development of digital economy

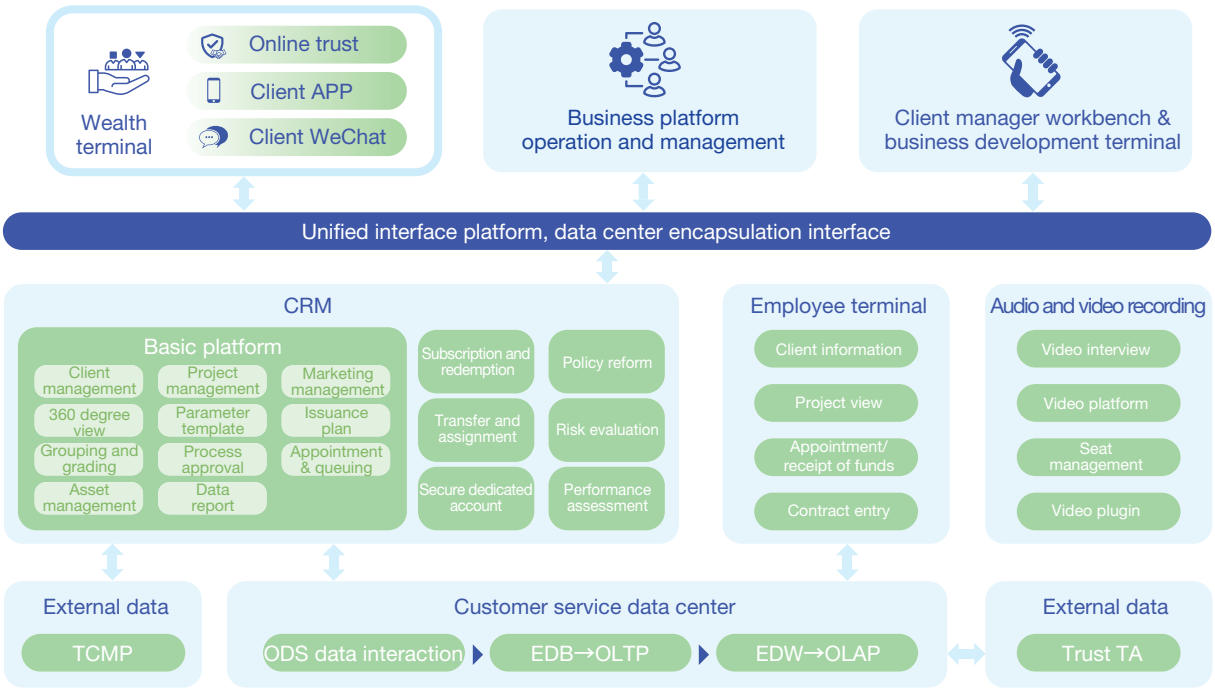


▲ Data asset operation service trust

SITC launched the first data asset service trust, which is also the first data asset operation service trust launched in the public transportation sector of Guizhou province, with a scale of RMB347 million. It provided potential market value operation services of data assets for Guizhou Kaili Public Transport Group Co., Ltd.. The project marks the realisation of the cross-regional output of the Company's innovative experience in the data element sector, offering a trust solution for deepening the integrated development of the real economy and the digital economy.

Case Technological renewal, initiating a new "customer-centric" paradigm

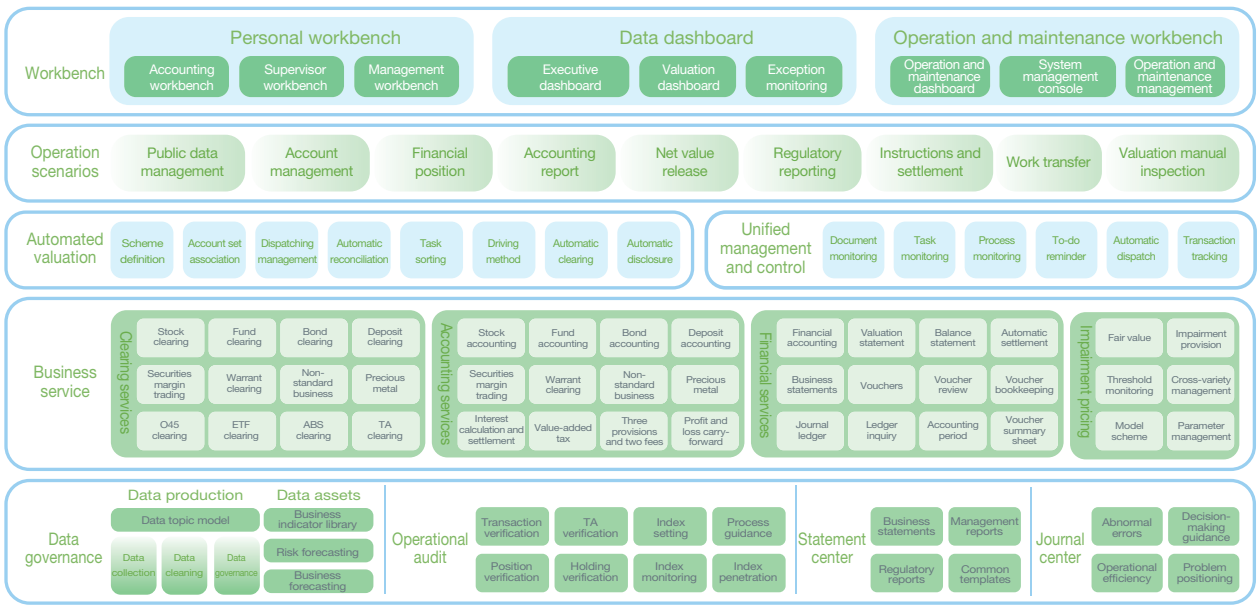
SITC was fully committed to building an integrated wealth management system (CRM5.0) centered on the "trust account", promoting the strategic transformation of the Company from "product sales" to "comprehensive full-lifecycle client service". The system deeply integrated "online + offline" service scenarios, building a full-process closed loop for online services covering appointment, audio and video recording, fund transfer, contract signing and other links, making the professional and rigorous trust services more convenient and transparent, effectively reaching a broader client base. Since its launch in November 2025, the system has efficiently supported over 2,500 transactions, with a service scale of approximately RMB2.326 billion. While significantly improving the client experience and the service efficiency of financial managers, it has substantially lowered the threshold for wealth management services. It is an important digital practice of the Company in fulfilling the original aspiration of "finance for the people" and promoting the inclusivity of wealth management services.



Architecture diagram of integrated wealth management system of SITC

Case Strong digital foundation, strengthening corporate governance and operational resilience

SITC completed the comprehensive reconstruction of new-generation valuation and accounting system, consolidating the foundation of corporate governance and improving the operational resilience through digital transformation. The system adopted the "integrated business and finance" design, fully covering the entire life cycle of various financial products from establishment, valuation to liquidation and disclosure, realising the refined and automated control throughout the entire process. Since its official commissioning in July 2025, the system has successfully supported the stable operation of over 370 products, efficiently processed more than 840,000 business transactions, strictly ensuring zero error and full timeliness in all regulatory reporting. This digital base has greatly improved the operational transparency, data accuracy and compliance guarantee capabilities, raising the level of internal control and risk management to a new height.



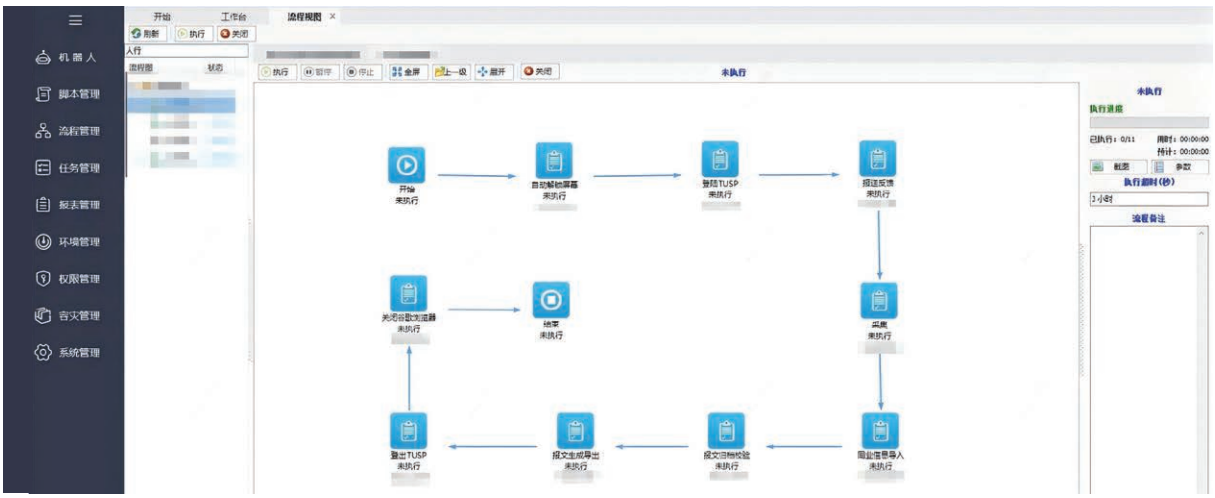
Architecture diagram of new-generation valuation and accounting system of SITC

Case AI empowerment, building a proactive risk management system

SITC independently developed a large language model-based engine for the intelligent compilation of regulatory rule and extraction of risk information. The engine can understand nearly 1,000 complex natural-language regulatory rules and automatically convert them into executable verification codes, reducing the manual analysis and development work that traditionally takes several weeks to just a few days, with an efficiency improvement of over 250%. Meanwhile, it can intelligently analyze hundreds of regulatory letters within one working day, extract key risk points, and increase the speed of rectification and response by more than 400%.

Case RPA collaborated with intelligent agents to shape the value of work

SITC deployed a large-scale “RPA digital employee” matrix and scenario-based AI agents. Among them, the AI agent for subscription and redemption applications has achieved a leap of the processing speed from “hours” to “minutes”. 87 RPA automated workflows had been deeply implemented in core areas including finance, operation and post-investment, forming a multi-frequency and multi-scenario automated operation matrix. The business content covers such key dimensions as file parsing, data capture, system filing, automated valuation, automatic email forwarding, message reminding, file archiving and regulatory reporting, comprehensively supporting the intelligent upgrade of business processes. The covering of multiple businesses has evolved from single-point breakthroughs to process integration, realising end-to-end process automation coverage, laying a foundation for ultimately achieving the full-process coverage across all business lines, and fundamentally freeing employees from repetitive and tedious “data handling” work.



▲ RPA system display page of SITC

Inclusive finance

SITC has earnestly implemented the relevant requirements of the state regarding financial support for the development of small and micro enterprises, continuously strengthened the service concept of supporting the development of micro and small enterprises, and actively matched their financing needs. At the end of 2025, the scale of existing trusts for small and micro enterprises reached RMB40.468 billion, with 62 new projects added during the year, and a newly increased scale of RMB29.224 billion. Meanwhile, the Company vigorously developed public welfare and charitable trusts and family service trusts to meet the inclusive financial needs of the general public.

the scale of existing trusts for small and micro enterprises reached RMB **40.468** billion	**62** new projects added during the year	newly increased scale of RMB **29.224** billion



Effectively carried out the study and education of thoroughly implementing the spirit of the party's eight-point frugality code, established a "1+6+N" learning system, and conducted

more than **40** sessions of various learning and warning education activities

01 Governance Empowerment, Consolidating the Foundation for Development

SITC has always adhered to the general principle of "making progress while maintaining stability". Guided and guaranteed by high-quality party building, it devoted itself to the optimisation and upgrading of corporate governance, improved the development of the ESG management system, strengthened the defense line of compliance and risk management, and fostered a clean financial culture, continuously consolidating a solid foundation for the high-quality development of the enterprise.



Adhered to high-quality information disclosure, and published **48** announcements on the website of the Hong Kong Stock Exchange and our official website in 2025, including **5** comprehensive periodic reports and **43** other reports

Carried out **15** offline anti-money laundering publicity activities, published **93** articles on the WeChat official account, official website and SITC APP, sent over **13,000** risk alert messages, reaching about **15,000** customers

Development under the guidance of party building

Adhering to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, SITC earnestly implements the political responsibility for strict Party self-governance, and actively promotes the deep integration of party building and business to drive the high-quality development of the Company with strong party building.

Strengthening Education in Ideology to Rally Collective Strength for Progress

SITC regards the study and implementation of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as a long-term political task. Throughout the year, a total of 50 sessions of collective learning for the Party Committee's theoretical study central group and political study under the "First Topic" mechanism were organised. It also held lectures to study the spirit of the Fourth Plenary Session of the 20th Central Committee of the CPC, promoting the Party's innovative theories to enhance cohesion of our people. The Company steadily advanced education on implementing the spirit of the eight-point frugality code issued by the CPC Central Committee, and built a "1+6+N" learning system. It guided Party branches to carry out more than 40 activities including various learning sessions and warning and education programs, ensuring full coverage of required tasks. A three-tiered learning mechanism was established, featuring "in-depth study and guidance by the Party Committee, thorough understanding and alignment with the required standards by Party branches, and earnest learning and practice by Party members". Nine sessions of Trust Class and Lighthouse Classroom were held throughout the year, alongside field study visits to revolution history education sites such as the Shandong Red Finance Museum and the Shandong Provincial Archives, laying a solid theoretical foundation for Party members and cadres. Special training on cultivating and practicing a Chinese-style financial culture was organised, and a symposium themed "Upholding Integrity and Benevolence, Operating in Compliance" for nurturing and practicing such culture was held. We also took an active part in the Lucion Group Cultural Symposium. These efforts fostered ideological consensus and rallied collective strength for progress.

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"1+6+N"
learning system

conducted more than
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The Party Committee's theoretical study central group of the Company carried out collective learning



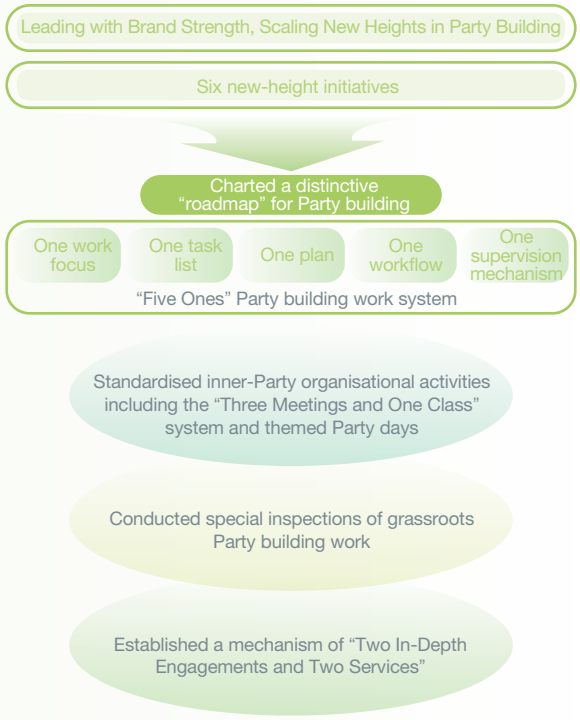
The Company held the eighth "Lighthouse Classroom"



Party members of the Company carried out the Party Day activity themed "Carrying Forward the Red Legacy, Staying True to the Original Aspiration to Serve the Nation" at the Shandong Red Finance Museum

Fortify the Institutional Framework and Underpin the Foundational Role of Party Organisations

SITC comprehensively solidified its foundational work of Party building by launching the three-year special campaign "Leading with Brand Strength, Scaling New Heights in Party Building". It implemented six new-height initiatives covering ideological development, organisational building, capacity enhancement and other key areas, to chart a distinctive "roadmap" for Party building. The Company has further refined its "Five Ones" Party building work system – featuring "one work focus, one task list, one plan, one workflow and one supervision mechanism". It has standardised inner-Party organisational activities including the "Three Meetings and One Class" system and themed Party days, and conducted special inspections of grassroots Party building work to help Party branches address weaknesses, make up for inadequacies and drive overall improvement. A mechanism of "Two In-Depth Engagements and Two Services" has been established. Over the year, members of the Party Committee conducted two on-site visits to their primary-level Party building contact points, delivered one Party lecture, and conducted three field research visits focused on Party building at non-local sites, to help resolve key difficulties. It enhanced the development of Party member ranks: a comprehensive self-inspection and sorting of archival materials for 13 active Party membership applicants was completed, three new probationary Party members were admitted in strict accordance with procedures, and a stringent quality threshold was maintained throughout the process. The Company explored new models for Party member education and management, focusing on ideological education, organisational management, platform development, and disciplinary oversight. These practices were selected as outstanding achievements in "Breakthrough Projects" of Party Organisation Secretaries of Provincial Enterprises in Enhancing Primary-level Party Building.





The Company Held a mobilization meeting for the three-year special campaign "Leading with Brand Strength, Scaling New Heights in Party Building"



The Party Committee Secretary Celebrates "Political Birthdays" with Party Members at Grassroots Party Building



The Party Committee Secretary led a team to Beijing to conduct research and provide guidance at the Company's Beijing office

Innovating the "Party Building +" Model to Serve High-Quality Development

Anchoring the era's imperative of green, low-carbon and high-quality development, SITC has further advanced the integrated mechanism of "Party Building + Green Trust". Taking the "front-line work approach" as key leverage, the Company has encouraged Party members to take the lead in project delivery, allocated resources to the pressing needs of industries, and resolved problems at the service front-lines, thus injecting financial vitality into the "green transformation" across Shandong Province. In 2025, centering on the three key initiatives of risk resolution, business transformation and revenue generation and efficiency improvement, the Company launched the campaign of "Stepping Up to Tough Tasks, Leading Forward with Party Guidance". All participating departments exceeded their set targets, demonstrating strong Party leadership on the frontlines of key initiatives.



The Party Member Service Team of the Company conducted on-site research for "Troubleshooting and Problem-Solving"



The Company launched the campaign of "Stepping Up to Tough Tasks, Leading Forward with Party Guidance"



Party members and cadres promoting anti-fraud awareness

We continuously deepened the in-depth integration of Party building with social responsibility and serving the real economy, and carried out joint initiatives themed "Three Advances and Three Services" and "Dual Pairing & Dual Support". In 2025, we held more than 30 anti-fraud awareness campaigns and conducted 21 Party building joint activities with Party organisations of provincially-owned enterprises, financial institutions and local government platforms. While earnestly fulfilling social responsibilities and delivering the warmth of financial services, we have expanded business development channels and provided targeted empowerment for the development of the real economy.



On-Site Training Session of the "Foundation Consolidation and Scaling New Heights" Special Program for Party Branch Secretaries and Party Affairs Workers

Uphold strong integrity governance and cultivate a clean and upright culture

SITC attaches great importance to integrity building, with a Discipline Inspection Commission (hereinafter referred to as the "Discipline Inspection Committee") and the office thereunder responsible for the construction of the party work style, governing with integrity and anti-corruption. Through a diverse range of oversight measures - including abnormal behaviour investigation for employees, regular integrity talks, and supervision of integrity in off-site business operations - the Company has intensified oversight over key sectors, critical positions and pivotal processes, building a solid defense against corruption. The Discipline Inspection Commission maintains dedicated channels for receiving reports, handling matters within its authority according to regulations, and strictly following procedures for reporting matters beyond its authority. The entire process of receiving and handling reports is consciously supervised by all staff and the relevant departments at higher levels. For further details regarding the number of corruption litigation cases and their outcomes, please refer to publicly available judicial information.

In 2025, SITC firmly advanced full and rigorous Party governance, continuously deepened the construction of the party work style, governing with integrity and anti-corruption, thereby solidifying the line of defense for professional integrity.

First, we consolidated the obligations of governing with integrity, and organised the signing of the responsibility statement for the construction of the party work style and governing with integrity at all levels, to fully enforce accountability for anti-corruption efforts. We convened meetings on the party work style, governing with integrity and anti-corruption, conducted collective integrity talks and warning and education activities to create an atmosphere of governing with integrity.

Second, we coordinated the work of governing with integrity. We formulated the key points of the discipline inspection and supervision work in 2025, and made an overall plan for the discipline inspection and supervision work throughout the year. All 18 annual work tasks have been completed.

Third, we carried out supervision on governing with integrity by keeping a close watch on the "critical minority" and conducted screening for integrity risks in the performance of duties by the leadership team, as well as for irregular business operations run by the spouses, children and their spouses of leading personnel. We intensified supervision over off-site departments, holding heart-to-heart talks on the integrity of business practices in Beijing, conducting reminder talks with on-site supervisors at project locations, and sending joint supervision letters to partners of more than 20 actively managed projects. Regular reminder talks were continued, with the Secretary of the Discipline Inspection Committee holding 37 such talks with newly promoted cadres, off-site employees and newly admitted Party members. Twenty preemptive supervision reminders for activities like bidding and procurement were given. The Company also conducted screening for integrity risks in all positions and for potential integrity risks of cadres and employees "outside the eight working hours", and conducted dynamic checks on irregular business operations. Follow-up visits were conducted monthly for issues identified in the screening to ensure the completion of rectifications. In light of organisational structure adjustments, the Company promptly appointed and adjusted disciplinary inspection liaisons, set up communication groups, and built a robust and comprehensive oversight network. It held an internal conference on collaborative supervision, facilitated the sharing of supervision information, and continued to improve the "comprehensive supervision" mechanism.

Fourth, we strengthened the education of governing with integrity. The Company organised employees to watch warning and education films for 3 times, conducted one session of discipline and legal education, and four on-site education activities. In-depth warning and education were carried out by taking typical cases as lessons, analysing the causes of relevant cases to formulate targeted rectification measures and ensure their implementation. Solid learning and education activities on the thorough implementation of the spirit of the eight-point frugality code issued by the CPC Central Committee were held. During key festivals such as the New Year's Day, the Spring Festival, the Mid-Autumn Festival and the National Day, typical cases violating the spirit of the eight-point frugality code issued by the CPC Central Committee were circulated, and reminders for integrity during holidays were issued. Self-inspections and self-corrections were conducted for issues such as irregular expense reimbursement, unauthorised meals and entertainment, and the private use of company vehicles. Reading classes for the study and education on the in-depth implementation of the spirit of the eight-point frugality code issued by the CPC Central Committee were held, where the Secretary of the Discipline Inspection Committee delivered a special guidance lecture to all Party members, using typical cases as cautionary examples.

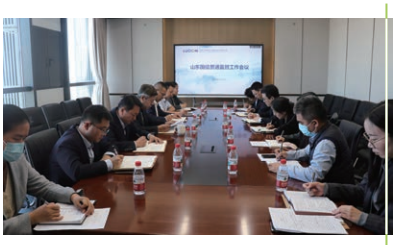
Fifth, we cultivated a culture on governing with integrity. The Company formulated the Work Regulations of the Discipline Inspection Commission of SITC on Conducting Inner-Party Talks and revised the Implementation Measures for Promoting the Integration and Coordination of Inner-Party Supervision and Functional Supervision, further improving the institutional system for disciplinary inspection. A long-term mechanism for cultivating a clean and honest culture of "Integrity Lucion" was established. Through disciplinary and regulation education, case warning education, on-site experience education, "three meetings and one lecture", and the "Integrity Book Corner", the Company fostered the clean and honest culture of professional integrity, integrity and self-cultivation, and family management with integrity for "Integrity Lucion".



▲ The 2025 Conference on the Construction of Party Work Style, Governing with Integrity and Anti-corruption, and the Conference on Warning and Education was convened



▲ Conducting an Integrity Training Session at the Integrity Education Base of Jinan Municipal People's Procuratorate



▲ Convening the Integrated Supervision Work Conference

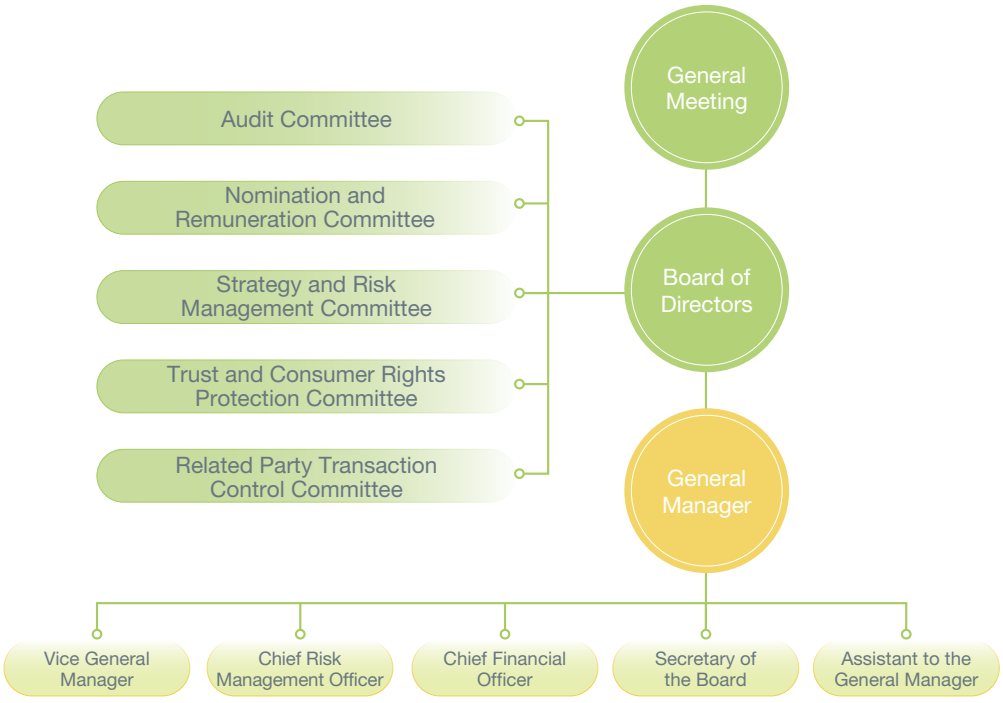
Optimising corporate governance

Functioning of the Shareholders' Meeting, Board of Directors, Board of Supervisors, and Senior Management

SITC, in strict accordance with domestic and overseas regulatory requirements, continuously increased the transparency of governance so as to safeguard the interests of the shareholders. The Company has established a comprehensive corporate governance structure, and clearly classified the responsibilities and powers among the shareholders' general meeting, the Board of Directors and senior management in accordance with the Listing Rules and relevant laws and regulations such as the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Administrative Measures for Trust Companies (《信託公司管理辦法》), the Guidelines for the Governance of Trust Companies (《信託公司治理指引》) and the Interim Measures for the Equity Management of Trust Companies (《信託公司股權管理暫行辦法》).

The Board of Directors has established five special committees, namely the Strategies and Risk Management Committee, the Audit Committee, the Nomination and Remuneration Committee, the Trust and Consumer Rights Protection Committee and the Related Party Transaction Control Committee, which operate under the leadership of the Board of Directors and provide professional support in respect of decisions made by the Board of Directors.

In accordance with the Company Law of the People's Republic of China and the relevant provisions of the National Financial Regulatory Administration on not establishing the Board of Supervisors, and in light of its actual circumstances, the Company has no longer established the Board of Supervisors nor has supervisors with effect from November 2025. The Audit Committee of the Board of Directors shall henceforth exercise the functions and powers of the Board of Supervisors as stipulated by laws and regulations.



In 2025

the Company convened

3 shareholders' general meetings,

at which **16** resolutions were considered and heard

8 board meetings were held, at which

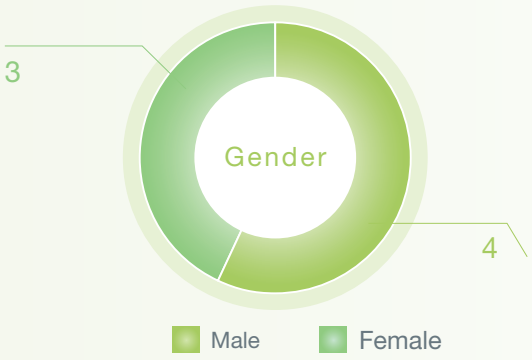
74 resolutions were considered and heard

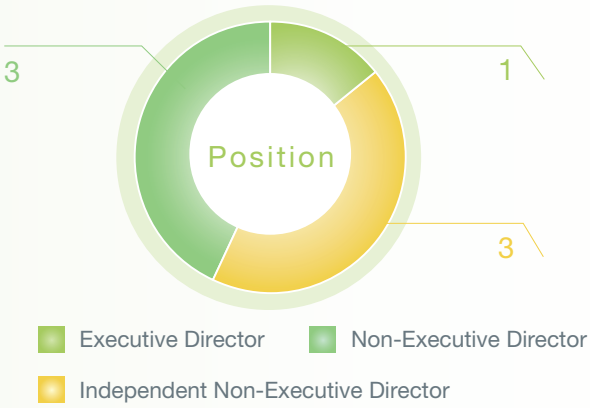
3 supervisory board meetings were convened,

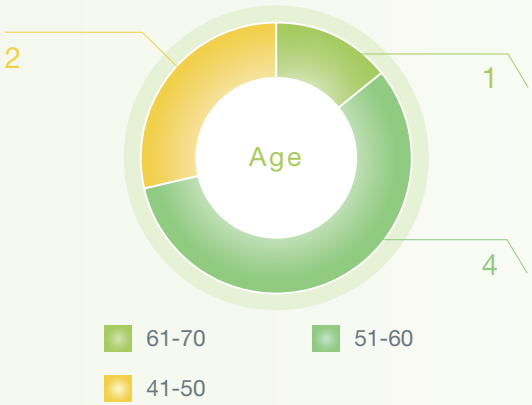
at which **17** resolutions were considered and heard

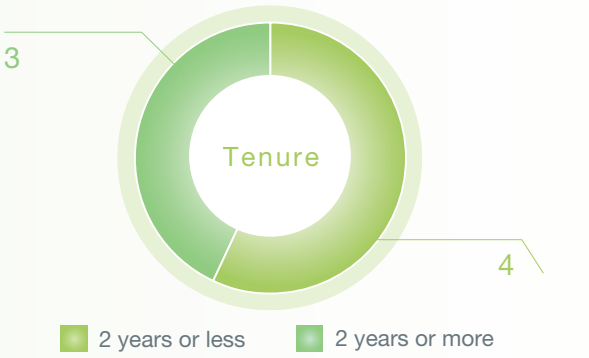
Diverse Composition of the Board of Directors

The Board of Directors of SITC features a diverse professional background, comprising seven directors, including three independent non-executive directors. This structure strictly adheres to regulatory requirements, fully safeguarding the independence of board decision-making and the effectiveness of supervision. Board members possess advanced academic qualifications and extensive professional expertise spanning multiple fields such as accounting and economics, all demonstrating profound theoretical knowledge and rich practical experience. As of 31 December 2025, the composition of the Board of Directors is analysed as follows:









Information Disclosure

The Company adhered to its practices of high-quality information disclosure, and fulfilled its information disclosure obligations in strict accordance with the laws and regulations and the requirements of the listing rules of the place where its shares were listed. In 2025, the Company published 48 announcements on the website of the Hong Kong Stock Exchange and our official website, including 5 comprehensive periodic reports and 43 other reports, disclosing information in a truthful, accurate, complete, timely and fair manner.

Investor Relations Management

The Company attached great importance to and actively carried out investor relations management, and maintained regular positive interaction with investors. In daily operations, the Company utilised its official website, email, investor phone calls and other means to enhance communication and exchange with investors, and disseminated relevant information of the Company to the capital markets in an open and fair manner.

Operation according to laws and regulations

Uphold the concept of compliance

In strict compliance with the Measures for Compliance Management of Financial Institutions (《金融機構合規管理辦法》) and other relevant regulations, SITC earnestly fulfilled its responsibilities of compliance risk management, adhered to the concept of deepening compliance from the top down, and continued to carry out activities such as compliance talks with the CEO and compliance awareness events with senior leaders, constantly enhancing the awareness of all employees to operate in compliance with regulations and follow standardised operations.

Actively fostering a culture of compliance. We continuously deepened the compliance philosophy of "compliance as the priority, compliance by all, active compliance, and creating value through compliance", firmly established the consciousness of trusteeship, and adhered to the fundamental positioning of trusteeship. We strengthened the independence of the compliance department, always considering compliance opinions as an important part of project reviews by the Trust Business Review Committee, the General Manager's Office and the Board of Directors. In 2025, the Company comprehensively carried out the self-evaluation, sorting and updating of its regulations and policies, further improved its regulations and policies. The Company reinforced respect for prohibitive legal regulations and internal operational "red lines", safeguarding the bottom line of compliance through the formulation of regulations and policies. With strengthening "trustee responsibility" at the core and in accordance with the requirements of professionalism, diligence and duty, the Company strengthened the construction of the trust culture, further clarified the role positioning of trustees, and leveraged the unique advantages of the trust system to better serve the real economy and return to the origins of trust.

Compliance as the priority | Compliance by all | Active compliance | Creating value through compliance



▲ "Upholding Integrity and Morality, Ensuring Compliance in Operations": Seminar on Cultivating a Financial Culture with Chinese Characteristics

Continuously improving risk management and control capabilities. We continuously strengthened the risk control of the whole process in each link of fundraising, investment, management, and withdrawal, prudently selected trading counterparts, strictly fulfilled the fiduciary responsibilities as stipulated by laws and contracts, closely monitored the repayment sources of projects, and promptly studied and formulated risk response and disposal plans for projects with potential risks. We thoroughly implemented the relevant requirements of regulatory authorities, adopted multiple measures to continuously optimise the risk management and compliance management mechanisms, addressed the weaknesses and shortcomings, tightened the institutional framework, strengthened the supervision over the implementation of systems, and enhanced the rigid constraints. We conducted in-depth research and judgment on the characteristics of different types of trust business. According to the requirements of superior departments and the changes in internal and external situations, we promptly adjusted and optimised the business management mechanisms and processes for a more scientific and effective decision-making mechanism. We made full use of risk management tools such as concentration management, risk preference indicators setting and operation monitoring, stress testing, and expiration management to strengthen the monitoring and early warning of the risk situation, and improve the forward-looking and proactive risk management.

Carrying out regular compliance education and training. SITC attaches great importance to furthering education and training on regulatory policies and regulations. We actively promote an atmosphere of learning for all employees through releasing six issues of legal briefings during the year, keeping all employees abreast of trends in regulatory policies, central issues in legal compliance and areas of difficulties through various case studies and articles. We invite external experts to hold lectures on policy interpretation, and strengthen compliance education and training through publicising the reviews, circulating case studies, business salons and informative WeChat posts, all in an effort to continue enhancing employees' knowledge and understanding on regulatory policies, and pursue business development in compliance with laws and regulations.

Fulfilling anti-money laundering obligations

In accordance with relevant laws and regulations including the Anti-money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and the Measures for the Supervision of Anti-Money Laundering and Counter-Terrorist Financing of Financial Institutions (《金融機構反洗錢和反恐怖融資監督管理辦法》), SITC developed and implemented the Administrative Measures on Anti-money Laundering (《反洗錢管理辦法》) and other systems, which were updated and revised based on the latest regulatory requirements on an ongoing basis. These measures standardise the Company's practices of anti-money laundering management to ensure that it earnestly performs its anti-money laundering obligations.

Continuously strengthening construction of anti-money laundering systems and mechanisms.

SITC has continued to leverage the role of its anti-money laundering work leadership group, which is responsible for the oversight of anti-money laundering work, under which the Anti-money Laundering Office organises and performs anti-money laundering work. Each business division of the Company is responsible for its own day-to-day anti-money laundering work. The Company has rigorously implemented anti-money laundering assessments, incorporating the results into the annual comprehensive performance evaluations of the department, thereby leveraging the assessment as a guiding mechanism. With stronger emphasis on the anti-money laundering training, the Company organised and participated in seven anti-money laundering training sessions, compiled and published four editions of "Q&A on Routine Anti-Money Laundering Reviews", and held study sessions and tests on new Anti-Money Laundering Law, in a bid to further reinforce employees' awareness of money laundering risks. The Company also performs a special anti-money laundering audit every year, and formulates rectification plans and tracks rectification progress for issues found during such audits. The Company continuously improves its internal control systems, having formulated and revised two related policies to ensure they not only meet regulatory requirements but also align with the practical realities of the trust industry and the Company. The Company earnestly carries out self-assessment of money laundering risks, formulate work plans, and steadily implements the plans. The Company continued to strengthen the construction of the anti-money laundering system and optimise relevant functional modules.

Diligently fulfilling legal obligations.

In 2025, in strict accordance with anti-money laundering regulations, SITC conducted customer due diligence, carried out money laundering risk rating, analysed and reported suspicious transactions, reporting five suspicious transactions to the China Anti-Money Laundering Monitoring and Analysis Center, and maintained proper records of customer information and transaction data. The Company regularly evaluates monitoring indicators, clarifies the requirements for customer due diligence and advances anti-money laundering data governance to ensure the implementation of relevant regulatory requirements.

Actively promoting awareness on anti-money laundering.

In 2025, leveraging its wealth management outlets, SITC adopted a combination of "online + offline" and "generalised + specialised" advocacy methods, utilised questionnaires, prize quizzes, on-site explanations, and other formats to organise 15 promotional events in communities, enterprises, business circles, schools, and counties. 93 articles were published on WeChat official account, the official website, and SITC APP, and over 13,000 alert messages were sent, reaching about 15,000 customers. These efforts have actively created a strong anti-money laundering awareness and atmosphere and achieved positive social impact.



The Company's anti-money laundering leadership group holding a work meeting



The Company holding a special training session on new Anti-Money Laundering Law

Intellectual property rights, trademarks and advertising management

In compliance with the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and other laws and regulations, SITC is entitled to owning or using intellectual property rights such as trademarks and domain names through applying for registration or obtaining third-party authorisation, so as to protect the Company's rights and interests while avoiding infringing on the intellectual property rights of others.

SITC operates in strict accordance with the Measures for the Administration of Trust Companies (《信託公司管理辦法》) and other regulations, and commissions advertising agencies to publish advertisements in compliance with laws and regulations, without openly marketing or promoting the Company's trust products. The Company commissions the media to publish summaries of its annual reports, and appropriately publicises the Company's specific initiatives to fulfil its social responsibilities in carrying out public welfare and charitable activities, supporting the development of the real economy and serving the better lives for people.



Procurement management

Strengthening institutional framework for procurement and enhancing risk prevention and control

In accordance with the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Regulations on the Implementation of the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法實施條例》),and the policies of the National Development and Reform Commission and other ministries, the Company has formulated the Measures for the Administration of Bidding and Procurement based on the characteristics of our industry and established a procurement system that covers the whole process in a bid to improve the magnitude, normalisation, informatisation and coordination. The Company has implemented strict supplier access control and required all suppliers to comply with regulatory requirements of the industries in which they operate, which the suppliers must not have been subject to significant regulatory penalties and have not been on the "List of Enterprises with Unusual Operation" in the National Enterprise Credit Information Publicity System or the "List of Enterprises with Serious Illegal and Dishonest Acts". The Company has established a supplier performance evaluation system to regularly review suppliers' contract fulfillment capabilities and corporate social responsibility performance.

Forging win-win partnerships and promoting responsible procurement

The Company's suppliers are mainly located in Mainland China. In 2025, 60 suppliers were located in Mainland China, and seven suppliers were located in Hong Kong, China. The Company has focused on fostering long-term partnerships, and realised the "optimal price and quality" of the procurement and optimal total cost in full life cycle. The Company's preferred suppliers include law firms, accounting firms, asset appraisal institutions and other professional services institutions, as well as physical suppliers of office equipment and consumables.

In 2025, the Company achieved **100%** procurement compliance, with **0** major supplier violation

Workplace safety management

SITC strictly complies with the Fire Control Law of the People's Republic of China (《中華人民共和國消防法》), the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Regulations of Shandong Province on Work Safety (《山東省安全生產條例》) and other laws and regulations. The Company has strictly implemented the decisions made by higher authorities on workplace safety and fully assumed its primary responsibility for workplace safety. By adhering to the principle of "reinforcing the foundation of responsibility, improving working mechanisms, and focusing on rectification of potential hazards", the Company has effectively prevented and mitigated risks and hidden dangers, thereby enhancing the quality and efficiency of workplace safety management. In 2025, no general or more severe workplace safety incidents occurred throughout the year.

Enhancing the quality and effectiveness of safety supervision and inspections

To ensure workplace safety, the Company has rigorously conducted targeted supervision and inspections and launched special campaigns to identify and rectify major fire hazards in high-rise buildings. Throughout the year, the Company has completed over 60 on-site inspections, established a list of potential hazards, and implemented the "identification - rectification - review - closure" whole-process management system, ensuring an overall stable workplace safety situation. The Company has strictly fulfilled its primary responsibility in safety management. Throughout the year, the Company has issued eight safety notices to lessees regarding extreme weather conditions, one notice on risks associated with confined space operations, and one notice on fire risks in high-rise buildings. The Company has signed important documents, including the Safety Management Agreement and the Fire Safety Management Agreement, with its lessees, specifying the responsibilities of all parties involved. The Company has adopted grid-based and matrix management at its headquarters and off-site workplaces. All departments and the safety committee of the Company have jointly built a robust dual-pronged proactive defense framework.

Establishing a long-term mechanism for safety management

The Company has strictly implemented the information reporting system, with more than 40 "online + offline" information reports submission tasks throughout the year, ensuring the timeliness and accuracy of information. The Company has developed the Measures for Incentives on Internal Reporting of Potential Accidents, adhered to positive incentives, prevented and controlled risks in advance, and strengthened the investigation and management of potential hazards among staff. The Company has established a robust workplace safety accountability system and arranged employees at all levels to sign the Letter of Accountability on Workplace Safety (《安全生產責任書》), ensuring the responsibilities, tasks, targets, and performance assessments are clearly assigned to each employee.

Strengthening workplace safety education and publicity

Taking the "Workplace Safety Month" and the "Firefighting Awareness Month" as opportunities, the Company has organised a series of educational activities focusing on the theme, guiding employees and relevant parties to keep the "safety threshold" and strictly abide by the "safety line". During the year, one special report and one popular science article have been published and reposted via the Company's WeChat official account, embedding safety culture into its daily emergency management.



2025 "Workplace Safety Month" training



Fire emergency drill



Workplace safety promotion

ESG management

Statement of the Board of Directors

The Board of Directors of SITC attaches great importance to environmental, social and governance ("ESG") management, strictly implements the ESG Reporting Code under the Hong Kong Stock Exchange, the Green Trust Guidelines and the ESG Disclosure Guidelines for the Trust Industry issued by the China Trustee Association, and other relevant regulations, and continuously improves the Company's ESG management structure, workflow and information disclosure, thereby ensuring the establishment and continuous improvement of a compliant and effective ESG working mechanism. The Board of Directors of the Company is responsible for guiding and making decisions on ESG-related issues, and formulating the Company's ESG strategy and work priorities, taking into account regulatory requirements, industry practices, the Company's actual situation and stakeholder requirements. The Board of Directors of the Company is also responsible for reviewing the Company's Environmental, Social and Governance Report. This report is published after consideration and approval by the Board of Directors.

ESG concept

In the course of business development, SITC has always upheld the core values of "professionalism and integrity, diligence and innovation, integrity and prudence, and ecosystem-oriented mutual benefit" by adhering to the implementation of the country's new development concepts based on serving the high-quality development of the real economy, actively helping to achieve the goal of "peaking carbon emissions and achieving carbon neutrality", and continuously practicing green finance to serve economic development. The Company attaches great importance to the risks and opportunities brought by climate change, incorporates climate risk management into its corporate governance and operational decision-making, and actively promotes innovation in green trust business and low-carbon operational practices. Adhering to its positioning as a trustee, the Company vigorously carries forward the trust culture and actively promotes the concept of trust. We continue to create a good financial consumption environment, and constantly improve environmental, social and governance performance to provide a broad development platform for employees to realise their self-worth. While actively creating long-term sustainable value, we maintain close communication with stakeholders and actively shoulder social responsibilities.



ESG management structure

Based on its strategies and features of the trust industry, SITC integrates ESG concepts with operation and management. By identifying the main duties of each department, the Company has initially formed an ESG management organisational structure comprising the decision-making body, management body and executive body. Climate issues, as an important component of ESG works, are uniformly integrated into the Company's ESG governance system for coordinated management.



Decision-making body: As the decision-making body of ESG work, the Board of Directors of the Company is responsible for providing guidance and formulating the Company's ESG development strategies and climate response strategies, as well as making decisions on major ESG-related and climate-related issues. The Strategies and Risk Management Committee of the Board of Directors is tasked with overseeing and guiding the management of ESG-related risks, including climate change risks. The Nomination and Remuneration Committee of the Board of Directors regularly reviews the Board's composition to ensure that directors possess the knowledge, experience, and skills necessary for their roles.

The Board of Directors considers climate-related risks and opportunities as significant factors in major business decisions and risk management, and explicitly incorporates the development of green trusts into the company's "15th Five-Year Plan" strategic planning and the performance evaluation of senior management. The Board regularly evaluates the implementation of the strategic plan and makes optimizations and adjustments based on actual conditions.

Management body: As the management body of ESG work, the senior management of the Company is responsible for organising and implementing the ESG development strategies formulated by the decision-making body and climate related work deployment, conducting the overall administration and coordination of ESG tasks and climate management work of various departments, reporting ESG and climate governance related work to the decision-making body and offering recommendations on practical issues in ESG and climate work practices on an annual basis.

Executive body: As the executive body of ESG and climate management work, the Office of the Board of Directors, Human Resources Department, General Administration Department, Wealth Management Department, Family Trust Department, Service Trust Department and Fintech Department are responsible for carrying out the specific work related to ESG and climate management in their respective fields, and assisting and cooperating with the management body to finalise the implementation of ESG and climate management work in each department.

Stakeholder engagement and materiality analysis

Based on the industry environment, nature of business, and characteristics of products and services of the Company, SITC has identified its major stakeholders such as shareholders, regulatory authorities, the government, customers, employees, partners, the community and the general public. In the course of daily operations, the Company maintains close communication with these stakeholders through various channels to fully understand and earnestly evaluate their expectations and requests, and responds to them in a timely manner. The Company's communication channels with major stakeholders and their main topics of concern during the year were as follows:



Stakeholders	Communication mechanism	Topics of concern	Responses
Shareholders	General meetings, information disclosure, performance roadshow, research and exchange	✓ Operating results and financial performance ✓ Disclosure of information ✓ Corporate governance ✓ Risk control	✓ Conducting prudent operations ✓ Timely disclosure of information ✓ Improving corporate governance structure ✓ Strengthening the management of investor relations
Regulatory Authorities	Regulatory policies, on-site inspections, off-site supervision, exchange of official documents, featured conferences, disclosure of information, daily reporting	✓ Compliant operations ✓ Risk management ✓ Internal control system ✓ Corporate governance ✓ Net capital and venture capital	✓ Improving internal control system ✓ Perfecting comprehensive risk management and control systems ✓ Improving the Company's capital strength ✓ Promoting the "five major areas" of finance ✓ Actively practicing financial culture with Chinese characteristics
Government	Policy guidance, important meetings, reporting on specific topics, daily communication	✓ Observance of laws and disciplines ✓ Payment of taxes in accordance with the law ✓ Implementation of national policies ✓ Support for national strategies	✓ Proactively fulfilling tax obligations ✓ Serving the real economy ✓ Serving the ecological protection and high-quality development of the Yellow River basin ✓ Supporting rural revitalisation ✓ Supporting the development of micro, small and medium-sized enterprises ✓ Promoting the "five major areas" of finance

Stakeholders	Communication mechanism	Topics of concern	Responses
Customers	Product promotion, promotion and education, complaint hotline, satisfaction surveys, customer visits, WeChat official account, company website, due diligence	✓ Communication channels ✓ Service quality ✓ Consumer rights protection ✓ Spreading trust knowledge ✓ Information security ✓ Product and service innovation	✓ Optimising online services ✓ Protecting consumers' rights ✓ Spreading financial literacy ✓ Offering innovative products ✓ Handling customer inquiries and complaints
Employees	Employee recruitment, employee training, team building activities, labour unions, employee representative meetings	✓ Employees' rights ✓ Vocational training ✓ Compensation and benefits ✓ Promotion and professional development ✓ Group activities	✓ Multi-level training systems ✓ Sound compensation incentive system and welfare security system ✓ Smooth promotion access ✓ Diverse employee engagement activities
Suppliers and Partners	Strategic cooperation, intra-industry exchanges, procurement events	✓ Equality and cooperation ✓ Mutual benefit and win-win situations ✓ Mutual sharing and joint establishment ✓ Commercial ethics ✓ Transparent procurement	✓ Developing an ecosystem for strategic clients ✓ Increasing intra-industry exchange and interaction ✓ Clean and transparent procurement management
Community and Public	Public charity activities, promotion of financial knowledge, WeChat official account, investor relations hotline and company website	✓ Social responsibility ✓ Enhancing community engagement	✓ Development of charitable trusts ✓ Financial literacy and anti-money laundering advocacy and education activities ✓ Public welfare and volunteer activities

In 2025, through analysis of the general expectations and requests of stakeholders as well as the materiality of the 11 ESG topics listed in the ESG Reporting Code, the Company identified the major ESG topics for this year, including environment and natural resources, development and training, product responsibility and community investment. Other relevant ESG topics include emissions, use of resources, employment, health and safety, labour standards, supply chain management and anti-corruption. The Company will discuss the content of each topic separately in this report.



Adhering to the principle of "gathering capital to revitalise Shandong", as of the end of 2025, the scale of the existing trust invested within Shandong Province reached RMB44.094 billion, while the existing scale of "investment attracted to Shandong" amounted to RMB21.01 billion

02 Building Bridges of Trust and Innovating Financial Services

As a state-owned financial institution, SITC steadfastly upholds its original mission of serving local economic and social development and satisfying people's needs for a better life. Anchored in the core functions of trust and leveraging institutional advantages, the Company harnesses its integrated service capabilities spanning the real economy, capital markets, and money markets. By comprehensively deploying diversified financial instruments – including equity investments, standardised product investments, debt financing, and industrial funds, it continuously enriches financial supply, delivers targeted support to the real economy, and increases financial backing for key areas such as local infrastructure development and national strategic emerging industries. At the same time, the Company advances business transformation and innovation in depth, continuously enhancing the quality and efficiency of specialised financial services. It precisely addresses the personalised and diversified wealth preservation and appreciation needs of high-net-worth clients, effectively strengthens the protection of financial consumers' rights and interests, and empowers local development and safeguards public well-being through professional financial expertise.



In 2025, more than 1,600 new family trusts were established, with newly added scale exceeding RMB 15 billion; as of the end of 2025, the existing scale exceeded RMB 68.3 billion

The Company formulated and revised 2 consumer protection-related policies, published 125 articles on consumer protection and investor education, and conducted 8 special training sessions on consumer rights protection

Serving social development



SITC adheres to the fundamental purpose of serving the real economy. By effectively leveraging the unique functions of its trust license, the Company proactively aligns with and supports the strategic deployments of Shandong Province during the "14th Five-Year Plan" period. Taking support for the industrial economy as the top priority, it continuously channels financial resources toward key sectors and weak links, strongly empowering the realisation of the Province's "ten new advantages" objectives and fully demonstrating the role of finance as a catalyst for high-quality development.

Adhering to "gathering capital to revitalise Shandong"

SITC adheres to a dual-driven approach of "deep local cultivation" on the asset side and "investment attracted to Shandong" on the funding side, better serving economic development and public well-being. First, it continues to fulfill the mission of "gathering capital to revitalise Shandong". The Company has consistently strengthened financial support within Shandong Province. As of the end of 2025, the scale of the existing trust invested within the Province reached RMB44.094 billion. Since the beginning of the year, newly deployed financing business amounted to RMB26.952 billion, providing strong financial support for the development of the local real economy. Second, it has intensified efforts in "investment attracted to Shandong". As of the end of 2025, the existing scale of "investment attracted to Shandong" reached RMB21.01 billion. Since the beginning of the year, newly added financing business under this initiative amounted to RMB6.661 billion, continuously injecting robust financial vitality into the region's high-quality economic development.

newly deployed financing business amounted to RMB**26.952** billion

newly added financing business under "investment attracted to Shandong" amounted to RMB**6.661** billion

Case Supporting infrastructure construction in Shandong Province

SITC established a collective capital trust plan. With the pledge of water supply tariff charging rights of Queshan Reservoir as one of the core credit enhancement measures, the Company adopted a Pre-ABS trust loan model to inject RMB500 million into Jinan Water Group Co., Ltd., supporting its subsequent issuance of asset-backed securities (ABS) backed by water supply tariff revenue rights. According to the trust plan arrangements, funds raised through the ABS issuance will be primarily used for the early repayment of the financing under the trust plans, thereby achieving a seamless linkage between the Pre-ABS trust loan and the ABS issuance. This provides long-term and stable funding support for the upgrading of urban water infrastructure and the high-quality development of regional industries.

Serving public well-being

In response to the pressing challenges and weak links in areas concerning people's livelihood, SITC fully leverages the unique advantages of the trust system. Through innovative trust models and the expansion of service trusts, the Company demonstrates the warmth and responsibility of trust in supporting social governance.

Case Deepening enterprise bankruptcy reorganisation and relief

SITC, together with China Foreign Economy and Trade Trust Co., Ltd., jointly served as trustees to establish the "Zibo Zhongrong Xinda Bankruptcy Reorganisation Service Trust", with an overall restructuring scale of RMB83.8 billion. As the largest and most structurally complex private enterprise restructuring case in Shandong Province in recent years, the project innovatively established a dual trust service model of "strategic investor platform" and "non-strategic investor platform", achieving an organic balance between restructuring efficiency and investor rights protection. It was selected as one of the top ten typical cases under the 2025 "Lu-Fa Brand".



"Zibo Zhongrong Xinda Bankruptcy Reorganisation Service Trust" project

Case Successful implementation of collateral service trust

SITC successfully implemented the "Duxing No. 1 Collateral Service Trust". Acting as trustee, the Company designated revenue rights from commercial property operations as the source of debt repayment and established an institutionalized risk management service system through a professional trust structure. This successful practice vividly demonstrates the unique value of the trust system in resolving credit dilemmas in commercial matters. Through institutional arrangements, it addresses the shortcomings of traditional guarantee methods in areas such as asset control and default disposal, effectively enhancing risk prevention and control efficiency.

Case Launch of corporate account management service trust

SITC launched the "Ruisheng Series" Account Management Service Trust, building an enterprise trust account management service system based on an independent trust account structure. Through refined and professional account management services, the Company enhances enterprises' financial management and capital operation efficiency. As of the end of 2025, the Company had implemented eight account management service trusts, with an aggregate entrusted scale of RMB370 million.

Case **Implementation of property management prepayment fund service trust**

SITC established its first Property Management Prepayment Fund Service Trust Plan. Leveraging the advantages of the trust system, the Company created a secure, transparent, and efficient management mechanism for property management prepayment funds in certain residential communities in Yantai, facilitating the modernization of community governance. The trust also incorporates technological tools, applying AI technologies to monitor fund flows and automate processes, enabling full-process monitoring and traceability.



▲ Property Management Prepayment Fund Service Trust

Paying taxes in accordance with the law

Over the past five years, the cumulative amount of taxes paid totaled RMB2.489 billion

As a state-owned financial enterprise, SITC actively responds to national tax policies, fulfills its tax obligations, and duly pays all applicable taxes and fees. In 2025, the Company paid a total of RMB229 million in taxes. Over the past five years, the cumulative amount of taxes paid totaled RMB2.489 billion.



Strengthening core competitive businesses

Continuing to deepen family trust services

Family trusts integrate multiple functions, including asset allocation, risk isolation, legacy planning, and charitable giving. They serve as a core instrument for achieving controlled, harmonious, and long-term intergenerational wealth transfer, and their value has been widely recognised by society.

SITC is one of the earliest trust companies in China to enter this field. For more than a decade, the Company has consistently focused on strategic businesses such as family trusts, family service trusts, and insurance trust structures, and has devoted substantial efforts to building the “De Shan Qi Jia” family trust brand system. Its professional services have received high recognition from clients and business partners. The Company continues to promote innovation in its business model and has successively implemented various structures, including FGT trusts, family trusts holding listed company shares, family trusts with foreign beneficiaries, and special needs trusts, to meet personalised, diversified, and customized service needs of the clients. The scale of the Company’s family trust business has maintained strong growth momentum. In 2025, more than 1,600 new family trusts were established, with newly added scale exceeding RMB15 billion. As of the end of 2025, existing assets under management exceeded RMB68.3 billion, further consolidating its leading position in the industry.



Multiple industry honors for family trusts in 2025

more than **1,600** new family trusts were established

newly added scale exceeding RMB **15** billion

existing assets under management exceeded RMB **68.3** billion

In 2025, as the only trust company with a local state-owned capital background to receive the award, the Company won the authoritative industry honor “Golden Bull Award for Family Trusts”, and was also recognised with multiple distinctions, including the “2025 ’Integrity Trust’ Best Wealth Management Service Trust Brand Award” and the “2025 (17th) Outstanding Competitiveness Financial Institution Case Selection – Outstanding Competitiveness Family Trust Brand”, demonstrating strong market and client recognition.

Actively expanding capital market business

SITC has proactively aligned with regulatory guidance, accelerated its strategic expansion into capital markets, strengthened its service philosophy, and reshaped its cooperation ecosystem. As of the end of 2025, the scale of standardised product trust assets exceeded RMB90 billion.

Seizing the recovery opportunities in capital markets, the Company has focused on equity-oriented investments. During the year, newly added scale in structured trusts, public fund segregated accounts, and private TOF products exceeded RMB5 billion, providing momentum for optimising asset allocation structure and enhancing active management capabilities. By continuously improving its active management and service capabilities, the Company’s actively managed products achieved solid performance in 2025: Cash management products recorded an annual return of 2%; pure bond products achieved annual returns ranging from 2.8% to 3.6%; “fixed income plus” products achieved annual returns of 6% to 7%; medium – and high-volatility products delivered annual returns ranging from 17% to 34%. Its comprehensive product spectrum generated steady returns aligned with the expectations of investors across different risk preferences.

the scale of standardised product trust assets exceeded RMB **90** billion

newly added scale in structured trusts, public fund segregated accounts, and private TOF products exceeded RMB **5** billion

Research empowering business transformation

The Company strives to strengthen the construction of active research capabilities, focusing on applicability and forward-looking nature to determine the research direction, and attaches great importance to transforming research and development results into productivity. Centering closely on the trust business classification reform and the Company's strategic development needs, business transformation is empowered through policy interpretation, thematic reports, subject researches and other means.

01

Focusing on the "15th Five-Year Plan" to consolidate the foundation for transformation.

Taking the formulation of the "15th Five-Year Plan" as an opportunity, SITC has carried out forward-looking strategic research, systematically positioning the Company within the broader provincial and industry financial ecosystem, and widely drawing on collective wisdom. Through comprehensive industry benchmarking, including visits to leading trust institutions to learn from advanced practices, the Company has accurately assessed development trends and identified opportunities and risks. Multiple rounds of research and demonstrations were conducted to build broad consensus on development, ensuring scientific objectives, clear pathways, and robust support measures, thereby laying a solid foundation for high-quality development over the next five years.

02

Deep participation in research projects to support financial theory innovation.

The Company has actively deepened theoretical research and academic exchanges, with several research achievements receiving authoritative recognition. Among them, Research on the Functional Positioning and Practical Pathways of Trust Services for the Silver Economy (《信託服務銀髮經濟的功能定位與實踐路徑研究》) won the Second Prize for Annual Research Projects of the Shandong Monetary Society. Research on the Mechanisms and Pathways for Trust Support in the Value Realisation of Data Elements in Shandong Province (《信託支持山東省數據要素價值化機制與路徑研究》) received the First Prize for Outstanding Annual Research Projects and was selected as an Outstanding Achievement of Shandong Provincial Think Tanks, further strengthening its research foundation.

03

Promoting integration of research and application to support business innovation.

SITC continues to refine its mechanisms for research incubation, business-driven development, and collaborative transformation, striving to apply research results in practical business operations. In 2025, the Company successfully translated research outcomes in the field of risk disposal service trusts into practice by winning the bid for the largest enterprise bankruptcy service trust project in Shandong Province, setting a provincial benchmark. Research achievements in the field of prepaid fund service trusts were also implemented across multiple scenarios, promoting applications in property fee prepayments, supervision of prepaid funds for healthcare and elderly care services, and corporate trust account management. This effectively realised the transformation of theoretical research into tangible business value.

Innovative financial services

SITC consistently upholds a “customer-centric” value philosophy and continues to deepen the transformation of its wealth management business. Through a diversified range of financial products and professional wealth management services, the Company meets clients’ needs in investment and wealth management, asset allocation, family financial planning, and wealth succession, providing diversified, personalised, and customized financial solutions and comprehensive integrated financial services throughout the entire life cycle.

Curated product selection – a comprehensive panorama of asset management products

SITC continuously monitors market dynamics and emerging trends, closely follows clients’ product demands, and conducts research on quantitative private funds and securities firms’ asset management products. Through joint product training and strategy promotion, and by combining self-managed products with externally introduced products, the Company has established a comprehensive, multi-strategy product line covering the full spectrum.

Product duration

Covering short-, medium-, and long-term investment horizons, including cash management products, fixed-term products, and long-term investment products.

Investment direction

Spanning multiple sectors, including the real economy, government infrastructure, and capital markets.

Product types

Including fixed income products, equity products, hybrid products, as well as commodities and financial derivatives products.



"Wealth Management+" services – accompanying clients throughout the entire life cycle

SITC fulfills its fiduciary responsibility of "managing wealth on behalf of clients" and vigorously expands wealth management service trust business based on clients' "trust accounts". The Company continuously provides asset allocation-based "1+3" financial butler-style "Wealth Management+" services (namely retail + segregated account management + family trusts + household trusts). Leveraging the Company's mobile APP client and wealth managers' CRM system, it has built new retail scenarios and wealth management service scenarios for clients, continuously enhancing its integrated comprehensive financial service platform.

"Wealth Management+" services

retail + segregated account management + family trusts + household trusts

In 2025

The Company's retail product scale reached RMB 10.7 billion

Manage 36 wealth management service accounts

The outstanding assets under management is RMB 1.842 billion

Wealth Management Service Trust Series

Individual Wealth Management – "Peace of Mind" Series
Corporate Wealth Management – "Panshi" Series
Social Organisation Wealth Management – "Cixin" Series

What We Deliver for Clients

Through "Wealth Management+" services, clients enjoy segregated account management, dedicated advisors, exclusive services, diversified investment, risk dispersion, and customized solutions.

Comprehensive APP upgrade – building a mobile intelligent wealth steward

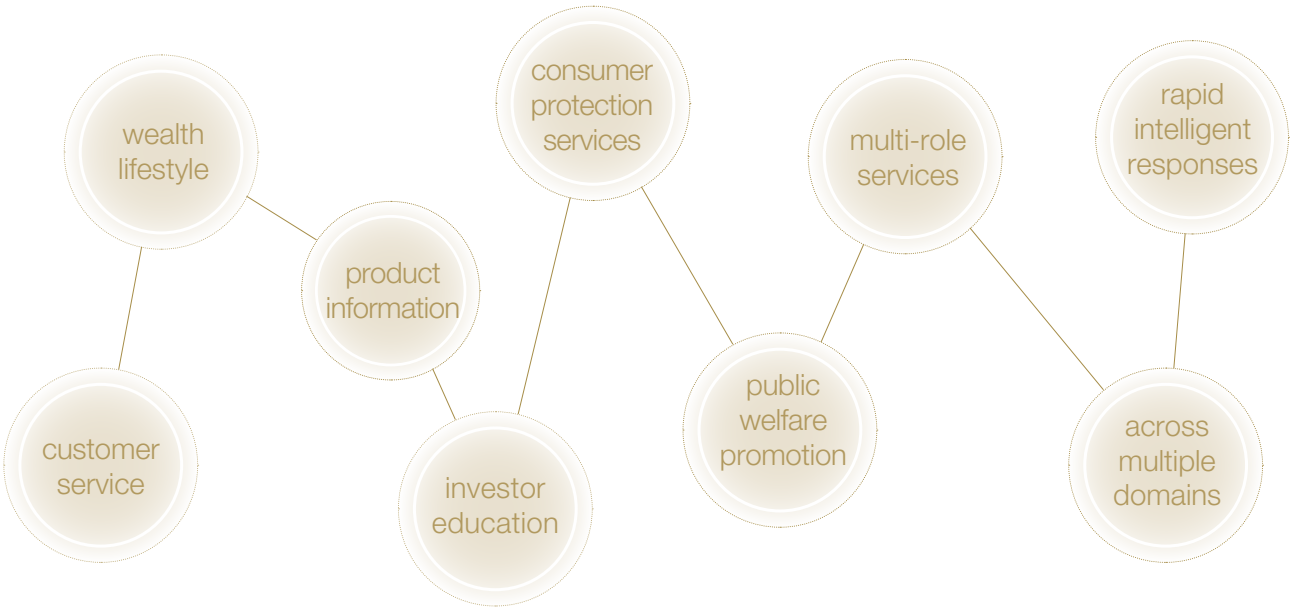
To create a one-stop wealth management service platform through its client APP, SITC has continuously optimised the customer service experience. In 2025, the Company completed the iteration, testing, operation, and launch of the upgraded CRM 5.0 system. With a rich variety of products and diversified service scenarios, the APP enables full-process online transaction management for entrustors. Instructions can be executed instantly with one click, offering more comprehensive functions, faster operations, and smoother user experience. Currently, wealth management service functions – including segregated account opening, agreement signing, instruction issuance, product subscription and redemption, and asset reporting – can all be handled through panoramic views and one-stop online processing within the APP. This has significantly enhanced customer experience and established a professional and digital-intelligent brand image for the Company's wealth management platform.



Digital-intelligent “Xiaoxin” – an intelligent wealth assistant close to clients



SITC continues to optimise its online customer interaction platform and promote the intelligent transformation of its “Xiaoxin” customer service system, expanding intelligent interaction scenarios. Centered on customer service, wealth lifestyle, product information, investor education, consumer protection services, and public welfare promotion, it delivers multi-role services across multiple domains with rapid intelligent responses. The 400 wealth management hotline has embedded AI voice-based intelligent customer service. Through clients’ brief descriptions, it can quickly respond to service requests such as asset inquiries, thereby improving service efficiency and effectiveness.



Protecting consumer rights and interests

SITC attaches great importance to the protection of trust consumers' rights and interests. It thoroughly implements all requirements relating to financial consumer protection, integrates the lawful rights and interests of trust consumers into corporate culture development, corporate governance, and business development strategies, and consistently embeds consumer protection requirements throughout every stage of business processes. By fully mobilizing resources across all departments, the Company advances consumer protection efforts in a coordinated manner, enhances the quality of trust financial services, and ensures the comprehensive implementation of consumer protection initiatives.

Improving the consumer protection mechanism

SITC continues to strengthen the institutional framework for consumer protection. In light of practical operational needs, it implements and refines the governance mechanism requirements of the "Three Arrows" approach to consumer protection. Through systematic review, revision, and integration, the Company supplements and improves relevant consumer protection policies, optimises business processes, and clarifies operational standards. In 2025, the Company formulated and revised a total of two consumer protection-related policies and completed the digital transformation of relevant business processes. It further strengthened information sharing and communication among relevant departments to ensure effective implementation of the mechanism. A Consumer Protection Work Manual was also developed, and through continuous learning of consumer protection policies and systems, the Company reinforced the foundation of its consumer protection work.

Conducting innovative collaboration to institutionalize public education

SITC actively practices the people-centered philosophy of finance, fulfills its social responsibilities, promotes financial culture with Chinese characteristics, and actively participates in various financial consumer rights protection education and publicity activities. It reinforces investor education initiatives by helping investors understand the characteristics and risks of various trust businesses, familiarize themselves with relevant trust policies and regulations, and make rational financial planning and investment decisions based on their own needs, thereby fostering rational and value-oriented investment concepts.



Financial knowledge publicity and education activities

The Company refines its routine publicity efforts, innovates communication formats, and enhances effectiveness. By deepening the empowerment of digital technologies, it strengthens case-based, interactive, and experiential educational outreach. In 2025, it published 125 consumer protection and investor education articles, including original interactive quizzes on trust consumer protection knowledge and the illustrated series "Xiaoxin Speaks: Preventing Illegal Financial Activities". These initiatives contributed trust-sector efforts toward building a nationwide financial security defense line and conveyed the warmth of service.

Published **125** consumer protection and investor education articles

The Company also actively responded to centralized publicity campaigns, leveraging their synergistic effect to enhance the reach and impact of financial consumer education. Taking March, June, and September Consumer Rights Protection Publicity Months as key opportunities, it organised 15 promotional activities through regular and thematic outreach programs, including “entering rural areas, communities, campuses, enterprises, and commercial districts”.



▲ Original “Xiaoxin Speaks: Preventing Illegal Financial Activities” illustrated series





▲ Original “Spring in Qilu – City Roaming” trust consumer protection interactive quiz

Promoting learning and excellence to enhance professional competence in consumer protection

SITC continues to build a professional consumer protection talent team, deepening professional expertise and optimising knowledge structures. It has established a multi-level, comprehensive, and refined training system covering policy interpretation, strategy analysis, asset allocation, product services, and other areas, with a focus on enhancing wealth managers’ capabilities in wealth management, client relationship maintenance, and integrated services. Specialised consumer protection training sessions are organised by business line, centering on consumer protection laws and regulations, regulatory requirements, and internal policies. Through online knowledge quizzes and public financial education lectures, the Company strengthens consumer protection awareness among all employees and fosters a strong culture of compliance and consumer protection.

In 2025, the Company conducted a total of eight special consumer protection training sessions for senior and middle management, frontline employees, and new hires. For business positions with frequent complaints or higher risk exposure, training frequency was appropriately increased to effectively enhance training outcomes, boosting employees’ performance capabilities.

Ensuring smooth complaint handling and improving resolution effectiveness

SITC has further strengthened standardised management of complaint channels, fully disclosing both online and offline complaint channels and handling procedures. It continuously optimises internal and external coordination mechanisms for complaint resolution, promptly responds to reasonable consumer demands, and actively and prudently resolves conflicts and disputes. Adhering to technology empowerment, the Company upgraded and refined its complaint management system, detailing process nodes and strengthening full-process tracking to improve both efficiency and effectiveness in complaint handling. By focusing on root cause analysis to implement rectification based on consumer feedback, it continuously optimises product design and improves service models, thereby enhancing customer satisfaction.

In 2025, the Company handled a total of 120 complaints transferred by regulators, representing a year-on-year decrease of 31%. By business type, 83 complaints related to other consumer loan categories and 37 related to proprietary wealth management products, involving multiple provinces and municipalities. The annual complaint resolution rate reached 100%, with steady improvement in handling quality and efficiency.

Information security management

The Company has established comprehensive data protection systems in accordance with requirements of laws and regulations such as the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), and the Measures for Data Security Management of Banking and Insurance Institutions (《銀行保險機構數據安全管理辦法》), covering the full life cycle management of data collection, storage, processing, transmission, and disposal to ensure that all business activities meet the highest level of data security standards.

At the technical level

In building its cybersecurity protection system, the Company consistently places the security of customer information at the core. A network traffic analysis and auditing system has been deployed to enable comprehensive monitoring of business links and rapid fault response. Endpoint protection has been strengthened to automatically block high-risk applications, abnormal traffic, and unauthorized registry modifications, while dual-factor real-name access control has been implemented for wireless networks to reinforce network boundaries. In parallel, the Company has advanced the implementation of a new intelligent data loss prevention system (XDLP), integrating AI technologies to cover the entire data lifecycle. The system conducts full-process auditing and policy control over outbound file transfers, visually tracks the flow of sensitive data, and ensures that data sources are traceable, destinations are controllable, and responsibilities are accountable. It also intelligently generates multidimensional, traceable security reports adaptable to various office scenarios.

With respect to data security processing

Customer data synchronized from the production environment to the testing environment are desensitized to ensure that real information is not exposed during development and testing stages. Front-end interfaces adopt display desensitization strategies to enhance privacy protection while maintaining business readability. All operations involving customer information (such as addition, modification, and deletion) are automatically recorded by business systems, retaining details of the operator, time, and content of changes to ensure traceability and auditability. A unified log management system has been established, under which routine inspections and analyses of server, database, and bastion host operation logs are conducted to promptly identify risks and promote rectification. Through continuous optimisation of customer information protection mechanisms, the Company safeguards data security in an all-round manner.

At the management level

The Company has formulated the Interim Administrative Measures for the Protection of Personal Customer Information of Shandong International Trust Co., Ltd. (《山東省國際信託股份有限公司個人客戶信息保護管理暫行辦法》), the Customer Service Management Measures (《客戶服務管理辦法》) and the Interim Measures for the Confidentiality Management of Company Customer Data (《公司客戶數據保密管理暫行辦法》). Based on the existing practice of confirming the Privacy Agreement (《隱私協議》) with customers when providing business services, the Company further refined the Authorisation Letter (《授權書》) for the collection and use of personal information to ensure that customers have a clearer understanding of the purposes, methods, and scope of information collection and use. The Interim Measures for Data Security Management (《數據安全管理辦法(暫行)》) have been promulgated, systematically establishing a security management framework covering the entire data lifecycle and clarifying departmental responsibilities and working mechanisms. Relevant policies, including the Implementation Rules for the Assessment of Information Technology Outsourcing (《信息科技外包考核實施細則》), the Implementation Rules for the Management of Information Technology Outsourcing Providers (《信息科技外包商管理實施細則》), and the Emergency Response Plan for Network and Information Security (《網絡與信息安全應急預案》), have been revised to strengthen data security defenses from multiple dimensions, including outsourcing supervision and emergency response. The Company has optimised the Business System Data Statistics Application Form (《業務系統數據統計申請表》) within the OA system by adding sections for sensitive data identification, declaration of usage period, and confirmation of deletion upon expiration, as well as an approval option indicating whether files are transferred from the internal network to the external network. This strengthens closed-loop control throughout the entire data management process and ensures the compliance and traceability of customer information usage. It has also clarified that sensitive data must be encrypted for transmission through the Andu System, and has introduced a system administrator verification mechanism to enhance overall data transmission security levels. Dedicated positions for information security and data security have been established, emphasizing the professionalization and normalization of information security management.

Case

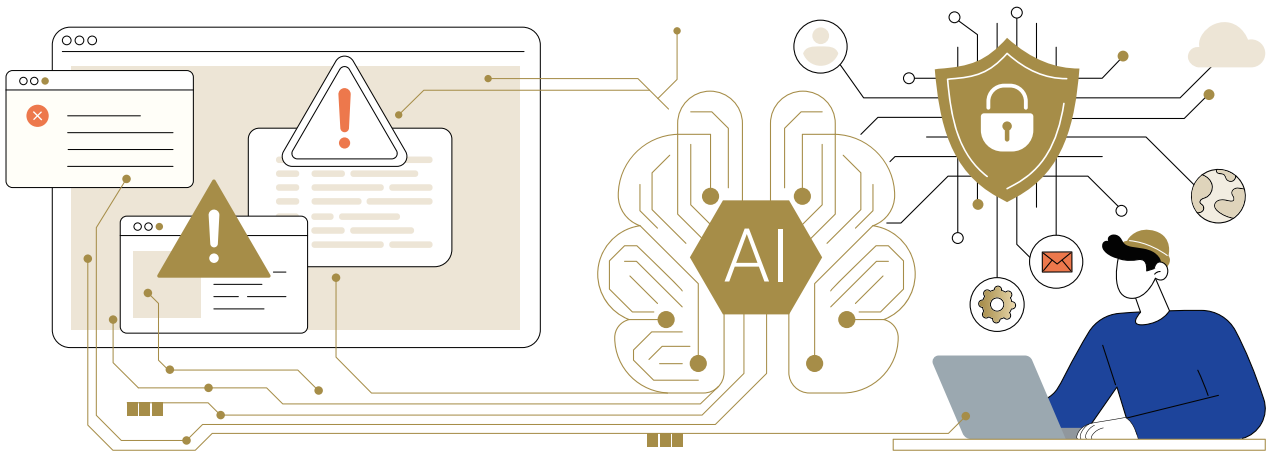
In October 2025, SITC organised a company-wide special training session on cybersecurity and online ideological security. The training, in light of the current cybersecurity landscape, regulatory requirements, and typical cases, focused on the identification and prevention of common threats such as phishing emails, misuse of USB devices, risks associated with public Wi-Fi, and weak passwords. It also placed special emphasis on security risks in AI applications, strictly prohibiting the input of company-sensitive information, customer data, or internal documents into AI tools to prevent data leakage. Participants were cautioned against the potential falsity and compliance risks of AI-generated content. Through real-life cases, the training highlighted the severe consequences of information leakage and improper speech, advocating that all employees strengthen their sense of responsibility in daily work and jointly reinforce the cybersecurity defense line, thereby providing solid support for the Company's digital transformation and development.



▲ Cybersecurity and ideological security training

Case

The practical case titled Innovative Application of Generative Artificial Intelligence in Driving the Transformation of the Network Security Operations Center (《以生成式人工智能驅動網絡安全運營中心變革的創新應用》), submitted by SITC, was successfully selected as a "2024 Shandong Province Cybersecurity Innovation Case" by the Cyberspace Administration of Shandong Provincial Party Committee and the Shandong Provincial Big Data Bureau. In this case, SITC deeply integrated generative AI large model technologies to comprehensively restructure and upgrade its existing cybersecurity operations system. The core objective was to transform the security operations model from traditional "passive response" to a "proactive intelligent defense" model characterized by high predictability and autonomous decision-making capabilities. This transformation enhances the Company's ability to efficiently address emerging cybersecurity threats, eliminates blind spots in internal security protection, and strengthens the cybersecurity barrier supporting its digital development.





03 Cultivating Talent and Building an Excellent Future

Talent is the primary resource for corporate development, and employees are the core asset underpinning the Company's steady and sustainable growth. SITC consistently upholds the talent philosophy of "gathering talents from everywhere and using them". In the context of reform and transformation within the trust industry, the Company has deepened reform and advanced innovation with determination, developing a distinctive full-cycle talent management approach encompassing "attracting talents, cultivating talents, and utilizing talents". The Company closely integrates employee development with corporate growth, establishing a comprehensive, multi-dimensional development support system. It continuously improves employee management and rights protection mechanisms, providing a solid institutional foundation to empower employees in their professional growth. Together with all employees, moving forward hand in hand, the Company strives to create a brighter future for both corporate and individual development.



In 2025, the Company organised more than **40** internal and external training sessions, with over **4,000** cumulative participant attendances

More than **70**% of the Company's employees possessing professional or technical titles and various credentials such as international certified financial planners, chartered financial analysts, certified public accountants and qualified legal professionals

Protecting rights and interests of employees

SITC has always adhered to the strategy of building a strong enterprise with the help of talents, strictly complies with relevant laws and regulations such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) and the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), and resolutely prohibits any form of discrimination caused by various factors such as religion, gender and age, as well as resolutely prohibits employment of child labour and forced labour. The Company actively builds a new-type labour relationship that is standardised and orderly, fair and reasonable, mutually beneficial and win-win, and harmonious and stable. Employing our staff in strict compliance with laws and regulations and continuing to standardise labour relationship management, the Company was awarded the title of "Enterprise with Harmonious Labour Relationship in Jinan".

With reference to remuneration policies, operating performance and market benchmarks, the Company has established and continuously revised a series of relevant policies such as the Interim Measures for Compensation Management (《薪酬管理暫行辦法》), the Interim Measures for Performance Assessment (《績效考核暫行辦法》), the Interim Measures for the Management of Employee Positions and Ranks (《員工崗位職級管理暫行辦法》), the Administrative Measures for Internal Accountability (For Trial Implementation) (《內部問責管理辦法(試行)》), the Administrative Measures on the Claw-back Mechanism of Performance-based Remuneration (For Trial Implementation) (《績效薪酬追索扣回機制管理辦法(試行)》) and the Measures for Deferred Payment of Remuneration (《薪酬遞延支付辦法》) to realise the coexistence of incentives and constraints. The Company makes payment of social insurance and housing provident funds for employees on time and in full, works to improve employees' salaries and benefits, standardises the implementation of annual leave system, and effectively protects employees' legitimate rights and interests.

Cultivating a fertile ground for talent success

As the fountainhead of business transformation, professional talent is the Company's core resource for gaining initiative, obtaining advantages and winning the future. In recent years, SITC has continued to deepen the market-oriented talent selection and employment mechanism, constantly broadened talent selection channels, smoothed the career paths of employees, and vigorously created a good environment for talent growth so as to provide solid talent guarantee and intellectual support for the Company's development. The Company recruits promising young talents with a good education background and good quality through both campus and social recruiting events. Currently, More than 70% of the Company's employees possess professional or technical titles and various credentials such as international certified financial planners, chartered financial analysts, certified public accountants and qualified legal professionals. As of the end of 2025, 110 employees of the Company successfully applied for high-end talents in Jinan.

As of the end of 2025, SITC had 271 employees and the Company's employee turnover rate was 8.23% in 2025.

110 employees of the Company successfully applied for high-end talents in Jinan

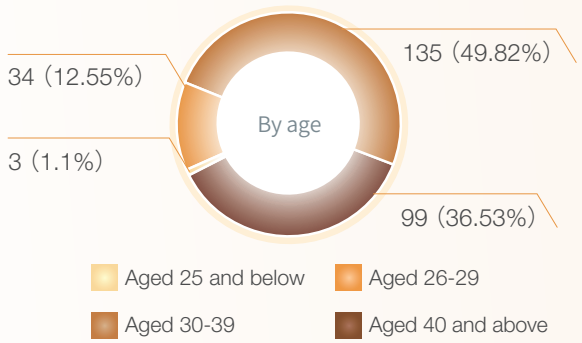


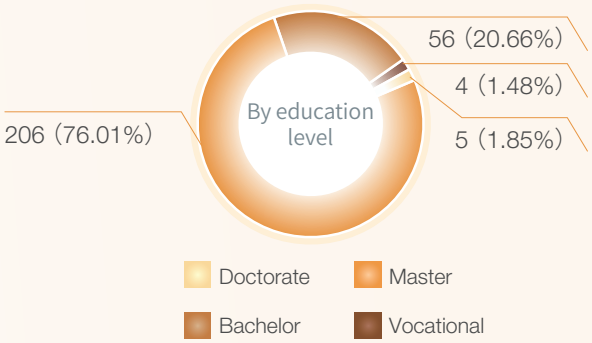
▲ Convening a meeting of the leading group for talent development

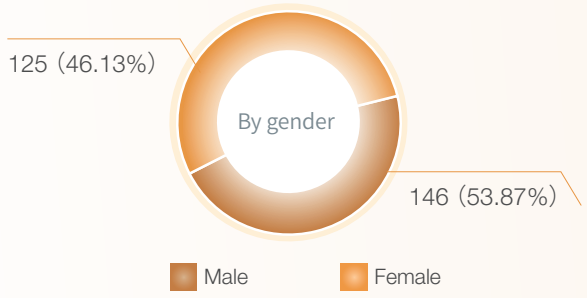


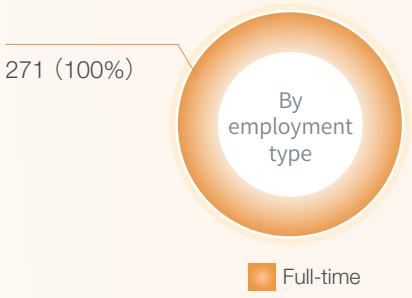
▲ Hosting a symposium for Party committee – connected experts and high-level talent

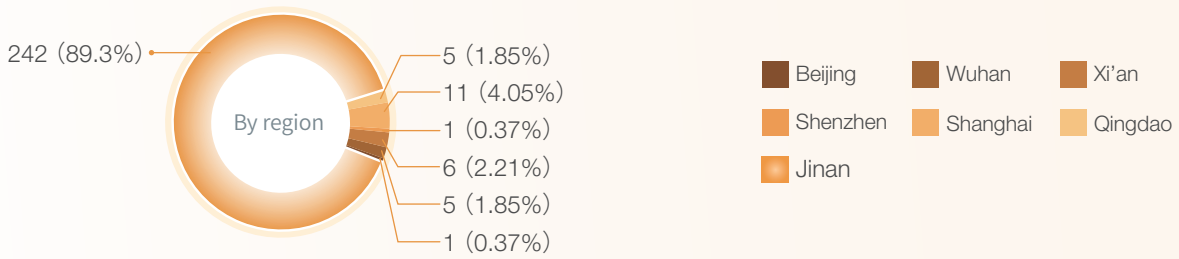
Employee composition As of 31 December 2025



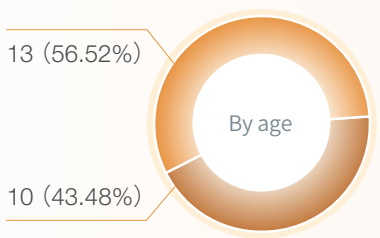


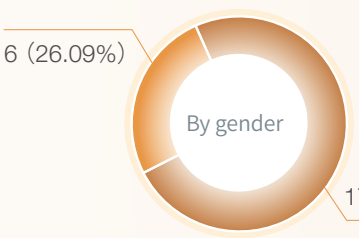


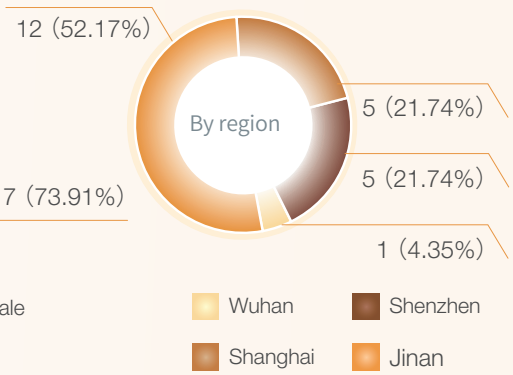




Employee turnover 2025







Protecting employees' health

SITC greatly values the health and safety of its employees, and provides them with comprehensive safety protection through the adoption of various measures. In strict accordance with the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases (《中華人民共和國職業病防治法》) and other laws and regulations, the Company has formulated safety management policies such as the Measures for Routine Inspection of Workplace Safety (《安全生產例行檢查辦法》) and the Safety and Protection Management System (《安全保衛管理制度》) to build a healthy and safe work environment for employees by focusing on various aspects including system development, investment in capital and safety facilities, and human resource protection security.

The Company performs fire drills, regularly conducts safety inspections of the office environment, provides employees with annual physical examinations, and has set up a standardised system for annual leave, parental leave and nursing leave. By providing employees with childcare allowance and family medical allowance, the Company comprehensively protects the health and well-being of all employees, further expanding the content of employee benefits.

No work-related deaths among employees of the Company occurred from 2021 to 2025. A total of 64 workdays were lost due to work-related injuries in 2025.

Deepening training and empowerment

Guided by its development strategy and committed to enhancing employees' professional skills, overall competence, and work performance, the Company has established a "Soft Platform" for nurturing young talent. It has built the "Guo Xin Lan" (國信藍) training system, which adopts a tiered, categorized, and phased approach to learning and development. Training is conducted through various channels, including "Trust Class", "Lighthouse Classroom", business salons, and external training programs, supplemented by a diverse array of online courses, The Company continuously refines its training system to provide employees with efficient, professional, and comprehensive training programs.

"Trust Class" | "Lighthouse Classroom" | Business salons | External training | Online courses

In 2025, the Company organised more than 40 internal and external training sessions with more than 4,000 participants. Training received by the Company's employees in 2025 was as follows:

Employee training		2025			
		Number of employees	Number of employees who received training	Percentage of employees who received training	Average training duration (hours)
By gender	Male	146	146	100%	23.47
	Female	125	125	100%	23.47
Employee category	Management of the Company	10	10	100%	27
	Middle management	44	44	100%	25
	General staff	217	217	100%	23



Hosting the “Digital & Intelligent Trust • AI Training Camp”



Hosting the special training session on “Pension Planning and Asset Allocation” and the 9th session of the “Trust Classroom”

Strengthening cohesion through employee engagement

The Company’s labor union plays an active role as a bridge and bond, focusing on fostering cohesion and delivering genuine care. It continuously enriches employees’ cultural and recreational life, comprehensively enhancing their sense of well-being and belonging. The labor union coordinates resources and provides dedicated funding and comprehensive support for various employee group activities. It supports the establishment of employee-initiated sports and interest groups, including badminton, table tennis, basketball, and football clubs, and regularly organises sports competitions and recreational events. Based on employees’ needs, the Company also organises festive gatherings, outdoor team-building activities, and cultural appreciation events, balancing recreation with interpersonal engagement. Through diverse and enriching activities, the Company enhances employees’ work-life balance, alleviates work-related stress, strengthens team cohesion through interaction and collaboration, and enables employees to genuinely experience the Company’s care and support, thereby building strong collective momentum toward shared development goals.





Hosting the “Forge Our Souls and Follow the Party, Stride Forward to Promote Development” fitness walking event



Hosting the “United in Milestone Years, Advancing Together Through Time” employment anniversary celebration and “Headquarters Visit” event for employees from other locations



Hosting the “Spring Blossoms, Women in Their Finest” themed event with a strawberry-picking activity at a strawberry farm



During the year, 20 new charitable trusts were established, with newly delivered project funds totaling

RMB30.9998 million

The Company has cumulatively established 76 charitable trusts, with total cumulative disbursements approaching

RMB 197 million

04 Illuminating Goodness and Building a Harmonious Future Together

SITC gives full play to the distinctive features and functional advantages of the trust system, contributing its trust-based strength and professional expertise to the development of a harmonious society and better communities. The Company steadfastly adheres to the philosophy of green development, advances green operations practices, and actively promotes a green office culture, taking concrete actions to support low-carbon development. It also actively explores innovative practices in charitable trusts and engages in public welfare initiatives, conscientiously fulfilling the responsibilities and mission of a state-owned financial enterprise.



In advancing the transformation toward a green supply chain, the proportion of green product procurement in 2025 increased by **15**% year on year

Supporting the “dual carbon” strategy

Addressing climate change

Climate change is a common challenge for all mankind. China has proposed the strategic goals of “achieving carbon emissions peak by 2030 and carbon neutrality by 2060”, and has comprehensively incorporated responding to climate change and “dual carbon” into the “15th Five-Year Plan”. The “dual carbon” strategy fully demonstrates China’s responsibility as a major power to take the initiative to address climate change.

The Company strictly complies with laws and regulations such as the Environmental Protection Law of the People’s Republic of China (《中華人民共和國環境保護法》), the Energy Conservation Law of the People’s Republic of China (《中華人民共和國節約能源法》) and the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》). We actively responds to national strategies, promote the rapid development of green trust, formulate emission reduction plans at the operational level of the Company, actively address the challenges posed by extreme weather changes, and contribute to sustainable green development.

Climate-related Risks and Opportunities

The following table provides an overview of the climate-related risks and opportunities faced by the Company over short-term (1 year), medium-term (1-5 years), and long-term (over 5 years) time horizons:

Climate-related Risks

Risk Category	Risk Factors	Description	Impact Time Frame	Current and Expected Financial Impact	Response Measures
Transition Risks	Stricter Low-carbon Policies and Regulations	Policies such as carbon neutrality, dual control of energy consumption, green finance regulation, and financing restrictions on high-carbon industries continue to tighten, potentially affecting project access, compliance costs, and business operations.	Short, Medium, and Long Terms	Increased short-term compliance costs; narrowed business space in high-carbon industries in the medium term; potential impact on profit stability and asset quality in the long term if transition is not timely.	1. Gradually formulate green investment and financing policies and set industry concentration limits; 2. Strengthen climate compliance due diligence for projects; 3. Proactively align with green finance regulatory requirements.
Transition Risks	Increased Credit Risk of High-carbon Assets	Increased operational pressure on clients in high-carbon industries, weakened cash flow and debt repayment capacity, fluctuating collateral values, potentially triggering credit risks and an increase in non-performing loan ratios.	Medium and Long Terms	Potential increase in project default risks, asset impairment, increased disposal difficulties, and lower-than-expected returns.	1. Strictly control new business in high-carbon industries; 2. Strengthen post-investment risk monitoring and early warning.
Transition Risks	Changes in Market and Investor Preferences	Increased emphasis on low-carbon and ESG performance on the funding side, decreased acceptance of high-carbon assets, affecting product issuance, fundraising, and valuation.	Medium and Long Terms	Impact on product competitiveness, fundraising efficiency, and brand image; may constrain business scale growth in the long term.	1. Vigorously develop green trusts and ESG-themed investment products; 2. Improve the quality of climate information disclosure; 3. Build green trust brands.
Physical Risks	Extreme Weather and Natural Disasters	Typhoons, floods, high temperatures, and other extreme weather events may cause damage to collateral assets and operational premises, or lead to project operation interruptions.	Short and Medium Terms	Potential asset losses, project delays, cash flow interruptions, and decreases in collateral values, resulting in actual financial losses.	1. Pay attention to asset location and disaster risks during due diligence; 2. Require project parties to purchase relevant insurance; 3. Improve post-investment risk monitoring and emergency response plans.

Climate-related Opportunities

Opportunity Category	Opportunity Factors	Description	Impact Time Frame	Current and Expected Financial Impact	Response Measures
Business Opportunities	Green Trusts and Low-carbon Investment and Financing	Continued growth in financing demand in sectors such as new energy, energy storage, energy conservation and environmental protection, green infrastructure, and low-carbon parks.	Short, Medium, and Long Terms	Brings new business scale, stable sources of income, and increase in trust remuneration income.	1. Incorporate the green trusts into performance evaluations; 2. Strengthen cooperation with green enterprises and governments.
Business Opportunities	Increased Demand for ESG Wealth Management	Increased allocation demand for ESG and carbon neutrality themes among high-net-worth clients and institutional funds, bringing incremental business in asset and wealth management.	Medium and Long Terms	Increases AUM scale, trust fee income, enhances customer stickiness, and comprehensive returns.	1. Develop ESG/low-carbon-themed asset and wealth management products; 2. Improve ESG investment advisory service capabilities; 3. Strengthen the transmission of green investment concepts to customers.
Strategic Opportunities	Asset Quality Optimization and Risk Reduction	Low-carbon assets generally have better risk characteristics, helping to reduce investment portfolio volatility and enhance long-term return stability.	Medium and Long Terms	Reduces credit risks and non-performing loan ratios, improves asset quality and capital utilization efficiency.	1. Increase the proportion of green assets in managed assets; 2. Optimize business access based on ESG and climate factors; 3. Continuously reduce exposure to high-risk high-carbon businesses.
Brand Opportunities	Regulatory and Capital Market Recognition	Meeting climate disclosure requirements of the Hong Kong Stock Exchange, the Trust Industry Association, etc., enhancing ESG brand image and investor confidence.	Short, Medium and Long Terms	Helps improve market competitiveness and obtain policy support and institutional recognition.	1. Disclose climate information to the high standards of Part D of the Hong Kong Stock Exchange's guidelines; 2. Actively participate in green trust seminars and other activities organized by the Trust Industry Association.

Impact of Climate-related Risks and Opportunities on Business Model and Value Chain

The impact of climate-related risks and opportunities on the Company's business model mainly includes business expansion and innovation, capital allocation and asset structure optimization, risk management requirements, customer investment preferences, social responsibility, and brand image. The impact on the Company's value chain mainly includes selecting green suppliers, carrying out cooperative innovation with suppliers, providing comprehensive green financial services to clients, and helping clients achieve carbon emission reduction targets.

Enhancing Climate Resilience

The Company attaches great importance to the long-term uncertain impacts of climate change and continuously improves its climate resilience management level. It incorporates climate-related risks into its comprehensive risk management framework, gradually enhancing its adaptability and response capacity to climate risks through improving governance arrangements, establishing a sound identification and assessment mechanism, optimizing business structure and asset allocation, and strengthening risk control measures.

The Company continuously monitors changes in the policy environment, market environment, and physical risks, and continuously improves its climate resilience arrangements to ensure the company's long-term stable operation and sustainable development.

Climate Risk Management



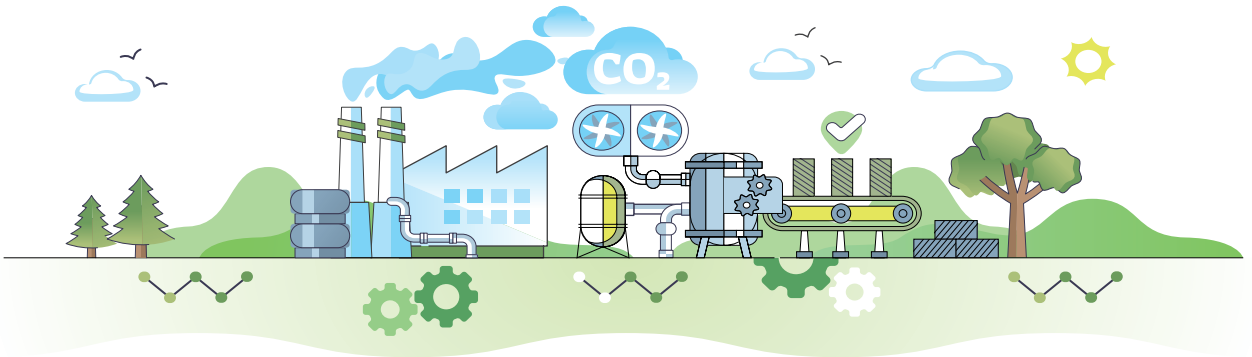
SITC closely monitors the impact of climate change on its business operations and incorporates "addressing climate change" as an important aspect of risk control, dynamically assessing the extent of relevant risks' impact on the Company, in accordance with regulatory policy requirements, guidance orientations, industry development trends, and corporate strategic planning. Climate risk management covers the Company's proprietary business, trust business, and daily operations. Based on the potential impact assessments of physical risks, transition risks, and related opportunities associated with climate change, the Company gradually explores and implements climate change response measures from dimensions such as strategic planning, management strategies, and business transformation. It comprehensively assesses the nature, likelihood of occurrence, and potential impact of climate-related risks through a combination of qualitative and quantitative methods, and reasonably ranks climate-related risks based on the Company's risk appetite and overall risk profile. We explore the establishment of a mechanism for identifying, assessing, screening, and tracking climate-related opportunities, determine development priorities based on business development directions and market environment changes, and implement continuous monitoring. Climate-related risks, as part of comprehensive risk management, are uniformly managed, monitored, and reported, consistent with the risk management processes for major risks such as credit risks and market risks.

The Company strengthens physical risk prevention and response, incorporating disaster weather response into production safety management, formulating emergency plans and control measures for extreme weather events such as heavy rain, heavy snow, typhoons, and hail, and collaborating with property management companies to increase daily inspections and hidden danger remediation of drainage pipes, office building facades, and main structures, continuously improving the Company's ability to address climate change challenges.

Methodology for Calculating Greenhouse Gas Emissions

For the 2025 greenhouse gas emissions data for Scope 1, Scope 2, and Scope 3 of the Company, please refer to the "2025 Environmental Key Performance Indicators".

Greenhouse gas accounting (Scope 1 and Scope 2) adheres to the relevant requirements for activity level data and emission factors outlined in ISO14064-1 Greenhouse Gases – Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emission and Removal (《溫室氣體第一部分組織層次上對溫室氣體排放和清除的量化和報告的規範及指南》), the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Public Building Operators (Enterprises) (Trial) (《公共建築運營單位(企業)溫室氣體排放核算方法和報告指南(試行)》), and the Announcement on the Release of the 2023 Electricity CO_2 Emission Factors (Announcement [2025] No. 47)(《關於發佈2023年電力二氧化碳排放因子的公告》). Greenhouse gas accounting (Scope 3: Urban Water Usage) is calculated based on the Corporate Accounting and Reporting Standard (《溫室氣體核算體系企業核算與報告標準》) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (《企業價值鏈(範圍三)核算與報告標準》) of the Greenhouse Gas Protocol, as well as the urban water emission factors, activity level data, and related requirements from the Carbon Neutrality Public Service Platform for Key Raw Material Industries of the Ministry of Industry and Information Technology of the People's Republic of China – the Basic Database for Carbon Footprints of Raw Material Industry Products (CNCD). Scope 3 includes the category: Purchased Goods and Services – Urban Water Usage.



Scope 1 Emission Calculation Method

Scope 1 greenhouse gas emissions are calculated using the emission factor method. The emission factor represents the amount of greenhouse gas emissions per unit of activity level for each emission source (e.g., per ton of coal or per kilowatt-hour of electricity).

Emission Calculation Method:

$EGHG=AD\times EF\times GWP$	
EGHG	Greenhouse gas emissions, measured in metric tons of carbon dioxide equivalent ($MTCO_2e$)
AD	Greenhouse gas activity data, including fossil fuel consumption from emission sources such as company-owned vehicles
EF	Greenhouse gas emission factor
GWP	Global warming potential value. Since only carbon dioxide emissions are measured in this instance and no other greenhouse gas categories are involved, the value is 1

Scope 2 Emission Calculation Method

Scope 2 emissions primarily originate from purchased electricity and purchased heat, calculated using the emission factor method.

The formula for calculating carbon dioxide emissions from purchased electricity consumption during the electricity generation process is:

$E_{Purchased\ Electricity}=AD_{Electricity}\times EF_{Electricity}$	
$E_{Purchased\ Electricity}$	Carbon dioxide emissions from the electricity generation process corresponding to purchased electricity, measured in metric tons of carbon dioxide equivalent ($MTCO_2e$)
$AD_{Electricity\ Electricity}$	Purchased electricity during the accounting and reporting year, measured in megawatt-hours (MW•h)
$EF_{Electricity}$	Grid emission factor, measured in metric tons of carbon dioxide equivalent per megawatt-hour ($MTCO_2e$/MW•h)

The formula for calculating carbon dioxide emissions from purchased heat consumption during the heat generation process is:

$E_{Purchased\ Heat}=AD_{Heat}\times EF_{Heat}$	
$E_{Purchased\ Heat}$	Carbon dioxide emissions from the heat generation process corresponding to purchased heat, measured in metric tons of carbon dioxide equivalent ($MTCO_2e$)
AD_{Heat}	Purchased heat during the accounting and reporting year, measured in gigajoules (GJ)
EF_{Heat}	Emission factor for heat consumption, measured in metric tons of carbon dioxide equivalent per gigajoule ($MTCO_2e$/GJ)

Scope 3 Emission Calculation Method

The Scope 3 greenhouse gas emission category accounted for is urban water usage within purchased goods and services.

The specific calculation formula is:

$E_{Urban\ Water}=A_{Urban\ Water}\times EF_{Urban\ Water}\times GWP_{CO_2\ Global\ Warming\ Potential}$	
$E_{Urban\ Water}$	Total greenhouse gas emissions from the upstream production and distribution processes of urban water usage throughout its lifecycle, measured in metric tons of carbon dioxide equivalent ($MTCO_2e$)
$A_{Urban\ Water}$	Urban water usage during the accounting and reporting year, measured in tons
$EF_{Urban\ Water}$	Emission factor for urban water usage, measured in metric tons of carbon dioxide equivalent per ton ($MTCO_2e/t$)
$GWP_{CO_2\ Global\ Warming\ Potential}$	Since only carbon dioxide emissions from urban water usage are measured in this instance and no other greenhouse gas categories are involved, the value is 1

Primary and Secondary Data for Scope 3 Categories

Category	Primary Data	Secondary Data
Purchased Goods and Services – Urban Water Usage	Annual urban water usage for 2025 (statistical scope is company-specific)	Urban water emission factors from the "Carbon Neutrality Public Service Platform for Key Raw Material Industries of the Ministry of Industry and Information Technology of the People's Republic of China – Basic Database for Carbon Footprints of Raw Material Industry Products (CNCD)"

Implementing green operation

As a financial institution, the Company's energy consumption primarily stems from office-related use of water, electricity, and fuel for official vehicles. In its daily operations, the Company remains committed to green and sustainable practices, vigorously promoting green office, green travel and green procurement. Through enhanced energy-saving management, it strives to minimise unnecessary energy consumption. Employees are encouraged to lead by example, incorporating sustainability into their work and daily routines – conserving every kilowatt-hour of electricity, every drop of water, and every sheet of paper – while advocating for a low-carbon lifestyle to further raise environmental awareness and strengthen their sense of environmental responsibility.

The Company has implemented a range of initiatives to actively implement a "green" corporate culture, and advance energy conservation and emission reduction efforts. Firstly, the Company has installed an intelligent lighting system that automatically controls office lighting schedules, preventing unnecessary energy waste caused by delayed shutdowns. In summer, cooling units and circulation pumps are operated in staggered schedules, with screw and centrifugal chillers adjusted based on temperature and time factors to optimise energy efficiency. Secondly, it promotes paperless office practices and digital processes by fully adopting electronic documents, electronic signatures, and online approval systems, significantly reducing paper consumption and waste generation. Thirdly, it advocates a green office culture and employee participation through internal communications that encourage energy-saving habits, such as turning off unused electrical appliances, reducing the use of disposable items, promoting green travel and using new energy vehicles.

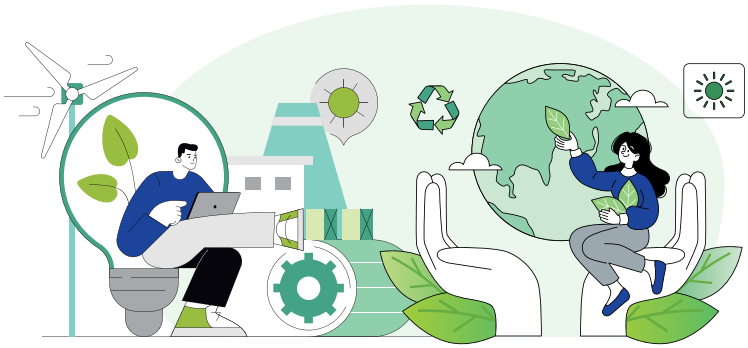
Additionally, the Company also provides each employee with green plants to create a fresh-air office environment. We have actively organised employees to participate in environmental public welfare activities, such as tree planting, green walking campaigns, and waste collection and recycling, translating the concept of sustainable development into concrete actions.



▲ Company employees participating in a tree planting activity

Green Operation Objectives

The Company has set both qualitative and quantitative objectives related to green operations based on its business characteristics, risk management needs, and sustainable development strategy, and continuously monitors the progress of these objectives. Meanwhile, we strictly comply with applicable laws, regulations, and regulatory policy requirements, and implement the statutory or regulatory climate and environmental objectives.



Objective Area	Emission/Waste Reduction Objectives	Measures Taken
Low-carbon Operations	Explore achieving an annual reduction of approximately 5% in per capita carbon emissions	Fully implement online approval and signing processes, advocate for paperless office operations to reduce paper consumption; increase the number of shared workstations; comprehensively use energy-saving and water-saving equipment; increase the frequency of online meetings.
Energy Consumption	Achieve a gradual reduction in per capita energy consumption and explore the establishment of quantifiable energy consumption targets	Encourage employees to commute and travel for business using public transportation, electric vehicles, and trains; use energy-efficient lighting and appliances to reduce electricity consumption.
Water Consumption	Achieve a gradual reduction in per capita water consumption and explore the establishment of quantifiable water consumption targets	Fully utilize water-saving equipment; implement water-saving renovations on water facilities; increase inspection and maintenance frequency to reduce leaks and spillage.
Non-hazardous Waste	Achieve a gradual reduction in per capita consumption of non-hazardous waste and explore the establishment of quantifiable consumption targets	Promote paperless office operations to reduce paper consumption; encourage employees to print double-sided and recycle envelopes and express delivery packaging; advocate for the “Clear Your Plate” campaign to save food.
Hazardous Waste	Achieve a gradual reduction in per capita consumption of hazardous waste and explore the establishment of quantifiable consumption targets	Promote paperless office operations to reduce the consumption of hazardous waste such as toner cartridges and ink cartridges.

The Company has established a mechanism for setting, reviewing, and updating green operation objectives, and can incorporate external professional opinions or third-party verification/review as needed. We regularly review the rationality, applicability, and progress of achieving green operation objectives, track, analyze, and evaluate the completion of objectives based on unified and clear indicators, and optimize and adjust objectives in a timely manner in response to changes in the internal and external environment, policy requirements, and business development to ensure alignment with the Company’s strategy and risk management.

Advancing the transformation toward a green supply chain

SITC continues to reduce procurement of highly polluting and energy-intensive products and to increase the proportion of green and low-carbon products (such as office supplies made from recycled materials and energy-efficient servers). Suppliers are required to provide green certifications (such as ISO14001), environmental labels (such as energy efficiency ratings), and recycling certificates to ensure compliance with sustainable development standards. The Company comprehensively evaluates product energy consumption and recycling or disposal costs, giving priority to environmentally friendly suppliers to promote efficient resource utilisation. In 2025, the proportion of green product procurement increased by 15% year on year.

Guiding wealth towards charitable endeavours



In September 2025, China marked the 10th "China Charity Day", and 2025 also represents the tenth year since SITC began developing charitable trusts. Over a decade of dedication, the Company has remained true to its original aspiration. Since the promulgation of the Charity Law of the People's Republic of China (《中華人民共和國慈善法》), SITC has consistently regarded charitable trusts as an important vehicle for fulfilling social responsibility, promoting charitable culture, and advancing common prosperity – leveraging financial strength to serve public welfare.

In February 2025, the Ministry of Civil Affairs and the National Financial Regulatory Administration jointly issued the Provisions on Annual Expenditures and Management Fees of Charitable Trusts (《關於慈善信託年度支出和管理費用的規定》). In January 2026, the Measures for the Administration of Information Disclosure of Charitable Trusts (《慈善信託信息公開管理辦法》) were formally promulgated. These two regulatory documents systematically standardise key aspects of charitable trusts, including their public welfare nature, expenditure standards, management fees, and information disclosure, providing a solid legal foundation for their healthy, transparent, and sustainable development.

Under clear regulatory guidance and the continued empowerment of the Company's strategy, charitable trusts have grown into a distinctive and fruitful segment of SITC's business portfolio – achieving continuous growth in scale, enhancement of professional capabilities, deepened engagement in rural revitalisation, and the dissemination of charitable culture.

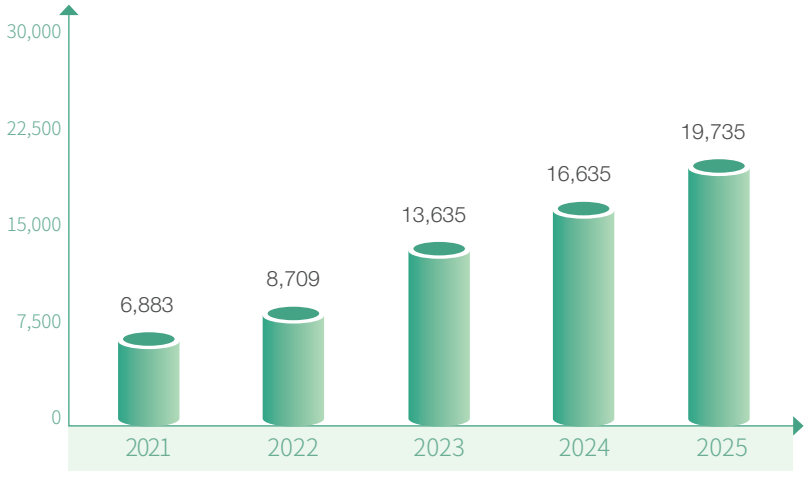
Continuous growth in scale

In 2025, SITC established 20 new charitable trusts, with an additional trust scale of RMB30.9998 million. As of the end of 2025, the Company had cumulatively established and filed 76 charitable trusts, with total cumulative disbursements reaching RMB197 million, achieving sustained business growth.

Additional trust scale of RMB

30.9998 million

Cumulative delivery scale of SITC's charitable trusts over the past five years





Enhancement of professional capabilities

Over the past decade of developing charitable trusts, SITC has worked together with various philanthropic partners to continuously expand the application scenarios and service models of charitable trusts. By precisely serving client groups, broadening charitable fields, and innovating business models, the Company has delivered a substantive and meaningful "public welfare report card".

Case Tomorrow's Glory Charitable Trust: Alumni giving back and passing on the torch



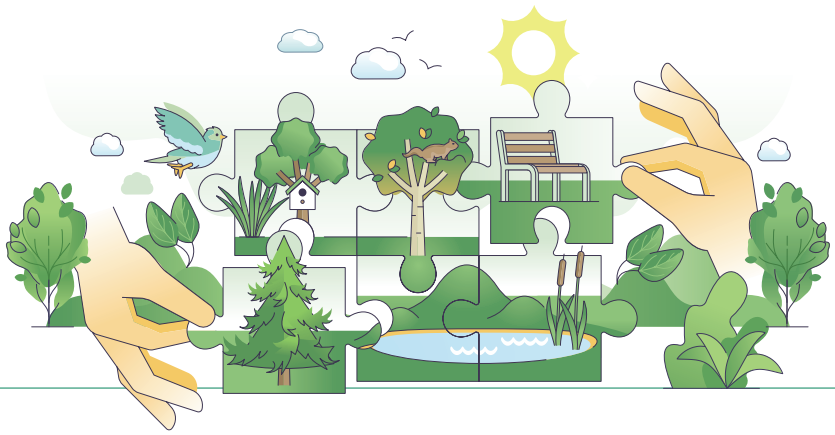
The settlor of this trust is a philanthropic alumnus of Nanjing University. The first project following the establishment of the charitable trust was the creation of the "Tomorrow's Glory Scholarship" at Nanjing University, aimed at supporting the development of the alma mater and cultivating first-class talent. The scholarship selection criteria emphasize both academic excellence and moral integrity, particularly requiring applicants to actively engage in social practice and consistently participate in public welfare activities, thereby encouraging the younger generation to develop positive and virtuous values.

Case Frontier Charitable Trust: Exploring new approaches to animal protection

In June 2025, the "Frontier Charitable Trust" established a special fund of RMB1 million dedicated to animal protection. The fund covers modules including mobile social rescue, routine medical treatment, emergency relief funds, and the promotion of public awareness, aiming to alleviate the suffering of individual animals to the greatest extent possible, raise public awareness of animal protection, and contribute to building a civilized society in which humanity and nature coexist harmoniously.

Case Green Charitable Trust: Safeguarding lucid waters and lush mountains with financial strength

SITC actively responds to the national call of the "five major areas" and, in accordance with standards set by the China Trust Association, researches and develops green charitable trust models. In 2025, two green charitable trusts meeting the relevant standards were successfully implemented. The Company also actively supported ecological charitable projects such as sand dune control initiatives in Bayannur City, Inner Mongolia, leveraging financial strength to protect lucid waters and lush mountains.



Deepening rural revitalisation efforts

In 2025, the charitable trusts managed by the Company recorded cumulative expenditures of RMB12.0315 million, effectively supporting a broad range of charitable areas including education assistance, medical aid for persons with disabilities, and social welfare initiatives. In particular, the Company has continued to deepen its engagement in rural revitalisation, achieving remarkable results.

In February 2025, the China Association for Public Companies, in collaboration with the China Foundation for Rural Development, released the Best Practice Cases of Rural Revitalisation by Listed Companies (《上市公司鄉村振興最佳實踐案例》). SITC's "Rural Revitalisation Series Charitable Trust" was selected as an outstanding practice case, focusing on targeted empowerment in the education sector through an innovative "Finance + Charity" model. SITC became the first trust institution nationwide to receive this honor.



▲ SITC's "Rural Revitalisation Series Charitable Trust" was selected as an outstanding practice case of rural revitalisation by listed companies in 2024

Case Yugongtang Charitable Trust: Giving rural children the wings of music

In June 2025, two music classrooms donated and constructed by the "Yugongtang Charitable Trust" of SITC were successfully completed at two rural primary schools in Laishui, Hebei Province, and Bijie, Guizhou Province. The charitable trust funded orchestral instruments, electronic keyboards, choir platforms, audio equipment, and other facilities; renovated and constructed music classrooms; conducted training for rural music teachers; and supported campus club activities and music performances. These efforts improved the conditions for rural children's music education, cultivated their aesthetic and cultural literacy as well as self-confidence, and enabled them to grow up healthy, happy, and confident.



Case Chunxi Charitable Trust: Lighting up rural girls' football dreams

In June 2025, the "Chunxi Charitable Trust" of SITC expanded its rural education support into the field of sports by providing training support and companionship to a rural girls' football team. The sponsored team, from a primary school in Dafang County, Guizhou Province, is coached by Coach Xu, who has devoted 20 years to teaching in mountainous areas. The team consists of 60 players aged between 8 and 12. They have repeatedly won championships at county, municipal, and even national competitions, progressing from county-level contests to provincial teams and onward to national development squads. For them, football brings not only trophies, but also the courage and ability to transcend geographical limitations. Through the charitable trust's benevolent support, more girls are able to see a broader world as they run toward their dreams.

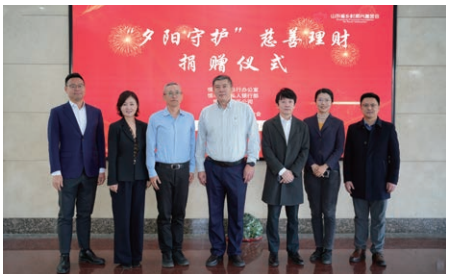


Promoting a culture of charity

Over the past decade, SITC has continuously broken through the traditional boundaries of charitable trusts, extending the warmth of financial instruments into broader fields – from collaborating with financial institutions to innovate fundraising models, to extending services to special-needs groups in safeguarding life dignity; from spreading the seeds of charity in communities and rural areas, to participating in industry platforms to consolidate collective strength. We firmly believe that the true power of charity lies in enabling more people to see goodness, believe in goodness, and become agents of goodness.

Case Implementation of charitable trusts funded by asset management product returns

In 2025, SITC collaborated with multiple banks, brokerages, and wealth management companies to implement charitable trusts funded by returns generated from asset management products. Under this model, charitable trust funds originate from asset management products issued by brokerages or wealth management companies, with a portion of the investment returns used to establish charitable trusts supporting poverty alleviation, education, science, culture, healthcare, and other charitable initiatives. This represents an innovative cross-sector collaboration among financial institutions to support charitable causes, broadening funding sources and injecting diversified vitality into the development of philanthropy.



▲ “Sunset Care” charitable financial management donation ceremony

Case Establishing a special needs trust to safeguard “Children from the Stars”

In May 2025, SITC successfully implemented a special needs trust. The settlor, a mother, established the trust using her insurance claim rights as trust property to provide long-term care for her adult daughter with autism. This trust addresses the long-term needs of special needs groups in areas such as asset management, medical care, and daily living support, establishing a comprehensive service framework centered on the trust system. It represents an important breakthrough for SITC in the field of asset service trusts and provides a market-oriented solution for improving the social welfare system and alleviating family caregiving burdens.

Case Promoting a culture of charity and enabling kindness to take root

As a provincially administered enterprise and financial institution, SITC actively fulfills its social responsibilities by promoting charitable culture and disseminating knowledge about philanthropy. In 2025, the Company conducted more than 20 charitable trust training and promotional activities, exploring innovative approaches to the “Five Entries” campaign for charitable culture, and further advancing the integration of charitable culture into government institutions, enterprises, rural areas, communities, and families, thereby spreading positive philanthropic values.



▲ Company employee lecturing to social work major students from Shandong University

Case **Elected as a governing member of the Jinan Charity Alliance**

In November 2025, the Jinan Charity Alliance was officially established. In recognition of its long-term practice and outstanding contributions in the field of public welfare and charity, SITC was successfully elected as a director member of the Alliance's first council. Looking ahead, SITC will strictly fulfill its duties as a director member, actively participate in the Alliance's initiatives, and contribute greater financial expertise and strength to the high-quality development of charitable undertakings in Jinan and across the province through efforts in resource integration, project implementation, and cultural promotion.



▲ SITC elected as a director member of the Jinan Charity Alliance

Engaging in social welfare

SITC remains committed to "giving back to the society", viewing it as an important approach to fulfil its social responsibilities. The Company fosters a "culture of gratitude", upholds the "spirit of dedication", and has continually made contributions to public welfare causes, demonstrating its corporate responsibilities as a state-owned enterprise.

Case

In December 2025, SITC, together with representatives from the Shandong Provincial Foundation for Rural Vitalization, Hengfeng Bank, and Hengfeng Wealth Management, visited elderly individuals in need in Huanghe Subdistrict, Zhangqiu District, Jinan City. During the visit, they learned about the living conditions of the elderly and delivered comfort supplies.





▲ Visiting and extending condolences to elderly people in need

Case



▲ Carrying out the"Learn from Lei Feng, Show Love and Care" volunteer service activity

In March 2025, SITC, together with the headquarters of Lucion Group, organised Lucion volunteers to carry out a "Learn from Lei Feng, Show Love and Care" volunteer service activity at a special children's rehabilitation training school in Lixia District, Jinan City. During the event, volunteers carefully listened to introductions about the school's founding and operations, toured the campus environment and facilities, learned about the children's daily lives and studies, donated rehabilitation training teaching aids, and conveyed their best wishes to the children.

2025 Environmental Key Performance Indicators

The reporting scope of environmental key performance indicators in this report refers to Shandong International Trust Co., Ltd.

Emissions

Indicator	2025	2024	2023
Total greenhouse gas emissions (metric tons of CO_2 equivalent)	621.97	615.41	1,135.69
Greenhouse gas emissions per capita (tons/person)	2.23	1.99	2.99
Greenhouse gas emissions per unit of office area (tons/m^2)	0.04	0.03	0.070
Scope 1 greenhouse gas emissions (metric tons of CO_2 equivalent)	12.98	19.11	35.59
– Fuel of company vehicles	12.98	19.11	35.59
Scope 2 greenhouse gas emissions (metric tons of CO_2 equivalent)	608.56	596.30	1,100.11
– Electricity	586.10	573.84	1,077.65
– Heat	22.45	22.45	22.45
Scope 3 greenhouse gas emissions (metric tons of CO_2 equivalent)	0.44	–	–
– Urban water consumption	0.44	–	–
Total hazardous waste disposal (tons)	0.75	1.30	0.39
Hazardous waste disposal per capita (tons)	0.003	0.004	0.001
Total non-hazardous waste disposal (tons)	53.41	66.89	72.62
Non-hazardous waste disposal per capita (tons/person)	0.19	0.19	0.19

Notes:

1. Due to the nature of the Company's business, greenhouse gas emissions mainly derive from direct emissions from fuel consumption by company vehicles and indirect emissions from purchased electricity used in offices.
2. Greenhouse gases include carbon dioxide, methane and nitrous oxide, which is presented by carbon dioxide equivalent in accordance with the Announcement on the Release of the 2023 Electricity CO_2 Emission Factors (《關於發佈2023年電力二氧化碳排放因子的公告》) (Announcement [2025] No. 47), jointly updated by the Ministry of Ecology and Environment and the National Bureau of Statistics of the People's Republic of China on December 31, 2025, as well as the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (2024 Edition)(《2006年 IPCC國家溫室氣體清單指南((2024版))》) published by the Intergovernmental Panel on Climate Change (IPCC).
3. The environmental performance indicators in this report are calculated based on the annual average headcount of the Company. The annual average headcount of the Company is equivalent to the average of the headcount of the Company on 1 January 2025 and the headcount of the Company on 31 December 2025.
4. Hazardous wastes produced during the operations of the Company mainly include waste toner cartridges and waste ink cartridges, which are turned over to professional recyclers for disposal by the property management company.
5. Non-hazardous wastes produced during the operations of the Company mainly include domestic waste, which is turned over to qualified third parties by the property management company for collection and hauling. As it cannot be measured separately, we have adopted the coefficient of per capita generation of 0.7 kg domestic waste per day as the basis for calculation according to the Class I standard of Zone I set out in the Calculation Methods and Coefficient Manual for Pollutant Generation and Discharge in the Second Statistical Survey of Emission Sources (《第二次排放源統計調查產排污核算方法和系數手冊》) issued by the State Council in 2021.
6. In accordance with the requirements of Part D of the "ESG Reporting Code", this year marks the additional disclosure of Scope 3 greenhouse gas emissions. The total greenhouse gas emissions for 2025 encompassed the combined emissions from Scope 1, Scope 2, and Scope 3.

Energy and Resource Consumption

Indicator	2025	2024	2023
Total energy consumption (MWh)	1,153.29	1,141.10	2,023.14
Energy consumption per capita (MWh/person)	4.13	3.69	5.32
Energy consumption per unit of office area (MWh/m^2)	0.08	0.06	0.13
Direct energy consumption (MWh)	48.69	71.70	133.51
– Fuel of company vehicles	48.69	71.70	133.51
Indirect energy consumption (MWh)	1,104.61	1,069.40	1,889.62
– Electricity	1,104.61	1,069.40	1,889.62
Total water consumption (tons)	3,346.00	3,248.00	6,135.00
Water consumption per capita (ton/person)	11.97	10.51	16.15
Water consumption per unit of office area (ton/m^2)	0.24	0.16	0.38

Notes:
1. Total energy consumption is calculated according to the Company's consumption of electricity and fuel and the relevant conversion factors provided in the General Principles for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020) (《綜合能耗計算通則》(GB/T 2589-2020)) issued by the Standardisation Administration of the People's Republic of China, including the purchased electricity and fuel (gasoline) used by the Company's vehicles.
2. Office water consumption refers to water used in the Company's office buildings, including tap water and reclaimed water.
3. Due to the nature of the Company's operation, our business does not involve the use of packaging materials.

Key Performance Table

Category	Key Performance Indicator	2025	2024
Economic performance	Total assets (RMB100 million)	136.79	142.79
	Total equity (RMB100 million)	112.42	112.37
	Operating revenue (RMB100 million)	7.22	9.05
	Net profit attributable to shareholders of the Company (RMB100 million)	0.55	1.43
	Size of trust assets (RMB100 million)	2,463.91	2,401.73
	Size of actively managed trust assets (RMB100 million)	1,485.06	1,662.37
Social performance	Number of employees	271	288
	Male to female ratio	1.31:1	1.25:1

Content Index of ESG Reporting Code

Aspect	Content	Reference Page Number
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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	52
A1.1	The types of emissions and respective emissions data.	63
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	63
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	63
A1.5	Description of emissions target(s) set and steps taken to achieve them.	56-57
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.	57
A2 Use of Resources		
General Disclosure	Policies on the efficient 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.	56-57
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).	64
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	64
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	57
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.	57
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable since the Company is a non-production enterprise
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	52
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	08, 52-54, 56-67

Aspect	Content	Reference Page Number
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.	46, 48
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	47
B1.2	Employee turnover rate by gender, age group and geographical region.	47
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.	25, 48
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	48
B2.2	Lost days due to work injury.	48
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	25, 48
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.	48
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	48
B3.2	The average training hours completed per employee by gender and employee category.	48
B4 Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.	46
B4.1	Description of measures to review employment practices to avoid child and forced labour.	46
B4.2	Description of steps taken to eliminate such practices when discovered.	N/A

Aspect	Content	Reference Page Number
Operating Practices		
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	24
B5.1	Number of suppliers by geographical region.	24
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.	24, 57
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	24, 57
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	57
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.	24, 40-42
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not involving product recall based on the Company's operational characteristics
B6.2	Number of products and service related complaints received and how they are dealt with.	41
B6.3	Description of practices relating to observing and protecting intellectual property rights.	24
B6.4	Description of quality assurance process and recall procedures.	Not involving product recall and quality appraisal based on the Company's operational characteristics
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	42-43
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.	18, 23
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.	18
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	18-19, 23
B7.3	Description of anti-corruption training provided to directors and staff.	19
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.	62
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	62
B8.2	Resources contributed (e.g. money or time) to the focus area.	62

Aspect	Content	Reference Page Number
Part D: Climate-related Disclosures		
(I)	Governance	
(a)	Information about the governance body(s) (which may include a board, committee, or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose the information about:	
	(i) how the body(s) or individual(s) determine whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
	(iii) how the body(s) or individual(s) take into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	27
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and our group is actively promoting the alignment of remuneration policies and practices with climate strategy, with specific measures including incorporating climate-related factors into the remuneration structure, such as integrating climate risk considerations into performance evaluation forms and assessment systems; and	
(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including the information about:	
	(i) whether the role is delegated to specific management-level position or management-level committee and how oversight is exercised over that position or committee;	
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	
(II)	Strategy	
Climate-related risks and opportunities		
(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	
(b)	Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	52-53
(c)	Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
(d)	Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain		
(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	
(b)	A description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	53

Aspect	Content	Reference Page Number
Strategy and decision-making		
(a)	Information about how the issuer has responded, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose the information about:	
	(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	52-53
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)); and	57
(b)	Information about how the issuer is resourcing, and plans to resource, the activities.	52-53
(c)	Disclose the progress of plans disclosed in previous reporting periods.	
Financial position, financial performance and cash flows		
Current financial effect		
(a)	The issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	52-53 Quantitative calculations not conducted now due to objective factors such as data availability
(b)	Identify information about the climate-related risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	No such risks identified
Anticipated financial effect		
(a)	The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(i) its investment and disposal plans; and	52-53 Quantitative calculations not conducted now due to objective factors such as data availability
	(ii) its planned sources of funding to implement its strategy; and	
(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

Aspect	Content	Reference Page Number
Climate resilience		
(a)	The issuer shall disclose qualitative and quantitative information about climate-related risks and opportunities identified as at the reporting date, which shall enable an understanding of:	
	(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	53
	(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	
	(iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium and long term;	
(b)	how and when the climate-related scenario analysis was carried out, including:	
	(i) information about the inputs used;	54
	(ii) the key assumptions the issuer made in the analysis; and	
	(iii) the reporting period in which the climate-related scenario analysis was carried out.	
(III)	Risk Management	
(a)	The issuer shall disclose the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	(i) the inputs and parameters the issuer uses;	
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks;	
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	26-27, 53-54
	(v) how the issuer monitors climate-related risks; and	
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
(b)	how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	
(IV)	Metrics and Targets	
Greenhouse gas emissions		
(a)	The issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	63
	Scope 1 greenhouse gas emissions; Scope 2 greenhouse gas emissions; and Scope 3 greenhouse gas emissions.	
(b)	The issuer shall measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	54
(c)	disclose the approach it uses to measure its greenhouse gas emissions;	54-56
(d)	for Scope 2 greenhouse gas emissions, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that are necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	54
(e)	for Scope 3 greenhouse gas emissions, disclose the categories included in the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	54

Aspect	Content	Reference Page Number
Climate-related risks and opportunities		
(a)	The issuer shall disclose the amount and percentage of assets or business activities vulnerable to the following risks:	8
	(i) climate-related transition risks; and	
	(ii) climate-related physical risks.	
(b)	The issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
Capital deployment, internal carbon prices, remuneration, and industry-based metrics		
(a)	The issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	8
(b)	The issuer shall disclose:	
	(i) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	The Company has not yet applied carbon pricing
	(ii) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	
(c)	The issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	27
(d)	In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	02
Climate-related targets		
(a)	The issuer shall disclose:	57
	(i) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and	
	(ii) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	
(b)	The issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	
(c)	The issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	The Company has not yet conducted relevant performance trend analysis.
(d)	For each greenhouse gas emissions target, the issuer shall disclose:	The Company is not currently involved in carbon credit trading or carbon offset programs, and will further enhance climate target management
	(i) which greenhouse gases are covered by the target;	
	(ii) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
	(iii) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target;	
	(iv) whether the target was derived using a sectoral decarbonisation approach; and	
	(v) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.	

LUCION

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Shandong International Trust Co., Ltd.

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