



CHINA ZHESHANG BANK CO., LTD.
2025 Sustainability Report

March 2026

Table of contents

ABOUT THE REPORT	1
OVERVIEW	3
BOARD STATEMENT	5
ABOUT US	6
STRATEGY AND MANAGEMENT	11
TOPIC 1: SERVING THE REAL ECONOMY THROUGH HIGH-QUALITY FINANCIAL SERVICES AND COMPREHENSIVELY PROMOTING THE DEVELOPMENT OF NEW QUALITY PRODUCTIVE FORCES	17
TOPIC 2: BUILDING A ZHEJIANG DEMONSTRATION ZONE FOR COMMON PROSPERITY ..	25
CHAPTER I GOVERNANCE	32
I. ADHERING TO THE GUIDANCE OF PARTY BUILDING	32
II. OPTIMIZING CORPORATE GOVERNANCE	33
III. DEEPENING INTEGRITY AND COMPLIANCE	35
IV. STRENGTHENING RISK MANAGEMENT	39
V. BUILDING A DIGITAL AND INTELLIGENT CZBANK	42
CHAPTER II ECONOMY	47
I. CULTIVATING INCLUSIVE FINANCE	47
II. DIVERSIFYING PENSION FINANCE	51
III. SUPPORTING RURAL REVITALIZATION	55
IV. ENHANCING CROSS-BORDER SERVICES	57
CHAPTER III ENVIRONMENT	62
I. ADDRESSING CLIMATE CHANGE	62
II. DIVERSIFYING GREEN FINANCE OFFERINGS	67
III. PRACTICING GREEN OPERATIONS	84
CHAPTER IV SOCIETY	87
I. STRENGTHENING CONSUMER RIGHTS PROTECTION	87
II. ENHANCING CUSTOMER SERVICE EXPERIENCE	93

III. ENSURING DATA SECURITY AND PRIVACY PROTECTION	98
IV. ENHANCING TALENT ATTRACTION AND RETENTION	102
V. ENHANCING SOCIAL CONTRIBUTION	111
VI. PROMOTING SUSTAINABLE PROCUREMENT	122
SUSTAINABILITY INDICATORS	124
INDEPENDENT ASSURANCE REPORT	136
RELEVANT INDICATORS	145
I. SELF-REGULATION GUIDE NO. 14 FOR THE COMPANIES LISTED ON SHANGHAI STOCK EXCHANGE — SUSTAINABILITY REPORTS (TRIAL)	145
II. ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE OF THE STOCK EXCHANGE OF HONG KONG LIMITED	147
III. GRI SUSTAINABILITY REPORTING STANDARDS	158
FEEDBACK FROM READERS	168

About The Report

The Board of Directors warrant that this Report contains no false record, misrepresentation statement or significant omissions, and assumes individual and collective responsibility for its authenticity, accuracy, and integrity.

Scope

Organizational coverage: This Report primarily focuses on China Zheshang Bank Co., Ltd. (“CZBank”) while incorporating a portion of its subsidiary entities. Within this document, the terms “CZBank”, “the Bank”, “our Bank”, and “we” are all used to designate China Zheshang Bank Co., Ltd. for the sake of linguistic simplicity.

Reporting period: This Report presents information spanning from January 1, 2025 to December 31, 2025. Certain information included herein may extend beyond this specified period.

Publication frequency: It is published on a yearly basis coinciding with the financial year. The immediate previous annual report was released in March 2025.

The financial data in this Report are drawn from the 2025 CZBank Annual Report which has undergone a thorough audit. Other data are brought forth from the internal documents of CZBank and associated statistics. There are instances where content and data have been retroactively drawn from pre-existing years for reference and consistency.

Basis of Preparation

This report is prepared in accordance with relevant requirements set forth in the Sustainability Disclosure Standards for Business Enterprises - Basic Standards (for Trial Implementation) issued by the Ministry of Finance, the Opinions on Strengthening the Social Responsibility of Banking Financial Institutions and the Measures for the Supervision and Evaluation on the Protection of Consumer Rights and Interests of Banking and Insurance Institutions issued by the National Financial Regulatory Administration (the former China Banking and Insurance Regulatory Commission (CBIRC)), the Guidelines for Corporate Social Responsibility of China’s Banking Financial Institutions issued by the China Banking Association, the Self-regulation Guide No. 14 for the Companies Listed on Shanghai Stock Exchange —Sustainability Reports (Trial) and the Self-regulation Guide No. 4 for the Companies Listed on Shanghai Stock Exchange —Preparation of Sustainability Reports issued by the Shanghai Stock Exchange (SSE), the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited (HKEx), and also complies with the ISO 26000:2010 - Guidance on Social Responsibility released by the International Organization for Standardization (ISO), the GRI Sustainability Reporting Standards released by the Global Reporting Initiative (GRI), etc.

Reporting Principles

- Principle of materiality: This Report is prepared based on in-depth online stakeholder surveys, data analysis, and additional research. It focuses on identifying and addressing material environmental, social,

and governance (ESG) issues that have a direct impact on CZBank's sustainable development, and details the process and results of the materiality analysis.

- Principle of quantitative assessment: This Report discloses a comprehensive quantitative assessment of CZBank's key ESG performance.
- Principle of consistency: This Report aligns the indicators utilized across differing reporting periods to the maximum extent possible, and explains any changes to the indicators to reveal the performance trend.
- Principle of balance: The content of this Report offers an objective representation of facts, disclosing both positive and negative performance indicators in a balanced manner.

Currency

All monetary values presented in this Report are denominated in RMB, unless expressly stated otherwise.

Assurance

To guarantee the authenticity and reliability of this Report, it has been submitted to Ernst & Young Hua Ming LLP (Special General Partnership) for third-party assurance in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Ernst & Young Hua Ming LLP has provided independent assurance reports and statements, which are detailed in the *Independent Assurance Report*.

Language

This Report is available in Simplified Chinese, Traditional Chinese and English versions. If there is any discrepancy, the Simplified Chinese version shall prevail.

Release Form

This Report is released electronically.

This Report is available at <http://www.czbank.com/> and <http://www.hkex.com.hk/>.

Overview

2025 marks the culminating year of the 14th Five-Year Plan and the preparatory phase for the 15th Five-Year Plan. For CZBank, it represents a pivotal year to consolidate our foundation towards “stability”, seek progress towards “practicality”, take root towards “depth”, accumulate momentum towards “distance” and gather towards the “heart”. Reflecting on this past year, under the guidance of President Xi Jinping's Thought on Socialism with Chinese Characteristics for the New Era, CZBank has steadfastly embodied the political and people-centric essence of financial services, actively discharged its social responsibilities, and established a robust foundation for sustainable high-quality growth.

Strengthening the leadership of the Communist Party and driving high-quality development through high-quality Party building efforts: We have consistently upheld and reinforced the comprehensive leadership of the Communist Party, conscientiously implementing in-depth learning and educational initiatives on the spirit of the Eight Provisions of the CPC Central Committee on improving Party conduct. We have deepened the construction of the “Model for Financial Enterprise Party Building” and continuously enhanced the brand recognition and social influence of the “Red CZBank” Party-building brand. Under the leadership of the Party, CZBank has adhered to a customer-centric approach, expanded its customer base, and achieved economies of scale at a new level. As of the end of 2025, the Group’s total assets reached RMB 3.48 trillion. In the 2025 ranking of the Top 1000 World Banks by *The Banker* magazine, CZBank was ranked 82nd in terms of tier-1 capital, marking the eighth consecutive year it has been recognized as one of the top 100 global banks. Additionally, CZBank’s ESG rating by MSCI has risen to the world’s highest AAA level.

Serving the real economy and building a benchmark bank to support common prosperity: Committed to serving the real economy through high-quality financial services, we pursued excellence in the five major areas of technology finance, green finance, inclusive finance, pension finance, and digital finance. By continuously enhancing the quality and efficiency of our services to key sectors and weak links of the real economy, we have delivered exceptional financial solutions. We have steadfastly implemented the decisions and directives of the Zhejiang Provincial Party Committee and Government, prioritizing the strategy of “Deepening Zhejiang’s Development”. By supporting major provincial projects and the construction of demonstration zones for common prosperity, we have earned the distinguished honor of being awarded the first prize for supporting Zhejiang’s economic and social development for ten consecutive years. As of the end of 2025, the total amount of loans and advances issued stood at RMB 1,922.711 billion. This includes RMB 1,175.518 billion in financing services provided in Zhejiang Province, RMB 270.807 billion in technology loans, RMB 358.198 billion in key areas of inclusive loans, and RMB 286.725 billion in loans extended to the manufacturing sector.

Practicing the green concept and advancing the sustainability of the economy and society: We have aligned our efforts with the national goals of achieving carbon peak and carbon neutrality, continuously strengthening the development of our green finance system. To clarify our objectives, we developed the *Implementation Plan for High-Quality Development of Green Finance* and the *Notice on Clarifying*

Relevant Matters for Transition Finance, establishing clear pathways for green finance growth. The Bank has actively innovated green financial products and service models, introducing specialized offerings such as “green factory loans” and transition finance loans. Notably, we have launched emission right mortgage loans to strengthen ESG risk management. As of the end of 2025, the Bank’s green loan balance reached RMB 256.835 billion, growing by 8.01%—outpacing the growth rate of other types of loans. Additionally, the Bank underwrote green bonds totaling RMB 5.575 billion and issued green bonds worth RMB 5 billion, which carried a AAA bond rating.

Strengthening humanistic care and promoting the harmonious unity of enterprise value and social value: We prioritize a people-first approach, firmly believing that employees are the cornerstone of our development. To foster talent growth, we have implemented the “1234 Talent Plan,” organizing multi-level, comprehensive training programs. Throughout 2025, we conducted 3,151 training sessions, reaching over 930,000 participants. The Bank actively promoted the “Five Do’s and Five Don’ts” of Chinese characteristic financial culture, deepened the construction of CZBank’s reading culture, and organized a series of cultural and sports activities. These initiatives enriched the spiritual and cultural lives of employees, strengthened cultural consensus, and united us in shared goals. In 2025, the Bank’s charitable donations totaled RMB 51.1018 million. We also conducted 5,622 sessions of financial knowledge popularization activities and employee volunteer service hours reached 4,998 hours.

2026 marks the beginning of the “15th Five-Year Plan” and also serves as the starting point for CZBank’s new journey toward its own “5th Five-Year Plan.” We will remain committed to our vision of becoming a “first-class commercial bank,” practicing the action guidelines of “steadfastness, advancement, creativity, transformation, and excellence”. Leveraging the strength of CZBank, we will unswervingly pursue the path of financial development with Chinese characteristics and continue to contribute to building our country into a leading financial power and our province into a robust financial hub.

Board Statement

The Board of Directors of CZBank plays a pivotal role in discussing and making decisions on material ESG issues for the Bank. Its responsibilities include setting ESG development goals, crafting strategic ESG plans, examining material ESG issues, and overseeing the progress of ESG initiatives. The Board also ensures compliance with ESG requirements set forth by regulators for listed companies.

Enhancing the oversight of ESG initiatives. The Board of Directors is tasked with monitoring the advancement of ESG initiatives across the bank. The Board's office regularly tracks the execution of proposals, stays up-to-date on progress, and compiles specialized reports for the Board. These processes ensure that ESG objectives are intricately linked to the Bank's business operations. In 2025, all entities involved in ESG governance at CZBank performed their duties efficiently, ensuring the effective implementation of the Bank's ESG development plans.

Defining a clear ESG management policy. The Board pays close attention to ESG-related decision-making and progress in areas such as the formulation of strategic plans, support for the real economy, efforts to foster green finance, and protection of consumer rights. Through regular engagement and stakeholder surveys, the Board identifies key ESG tasks for the year, includes them in its ESG strategy, and regularly follows up on progress.

Reviewing ESG progress. In 2025, the Board and its special committees approved a series of ESG-related documents, such as the *CZBank Sustainability Report 2024*, the *CZBank Green Finance Report 2024*, the *CZBank Financial Consumer Protection Report 2024 and Plan for 2025*, and the *CZBank Anti-Money Laundering and Counter-Terrorist Financing Report 2024*, to put forward systematic recommendations and requirements for the Bank's ESG measures.

About Us

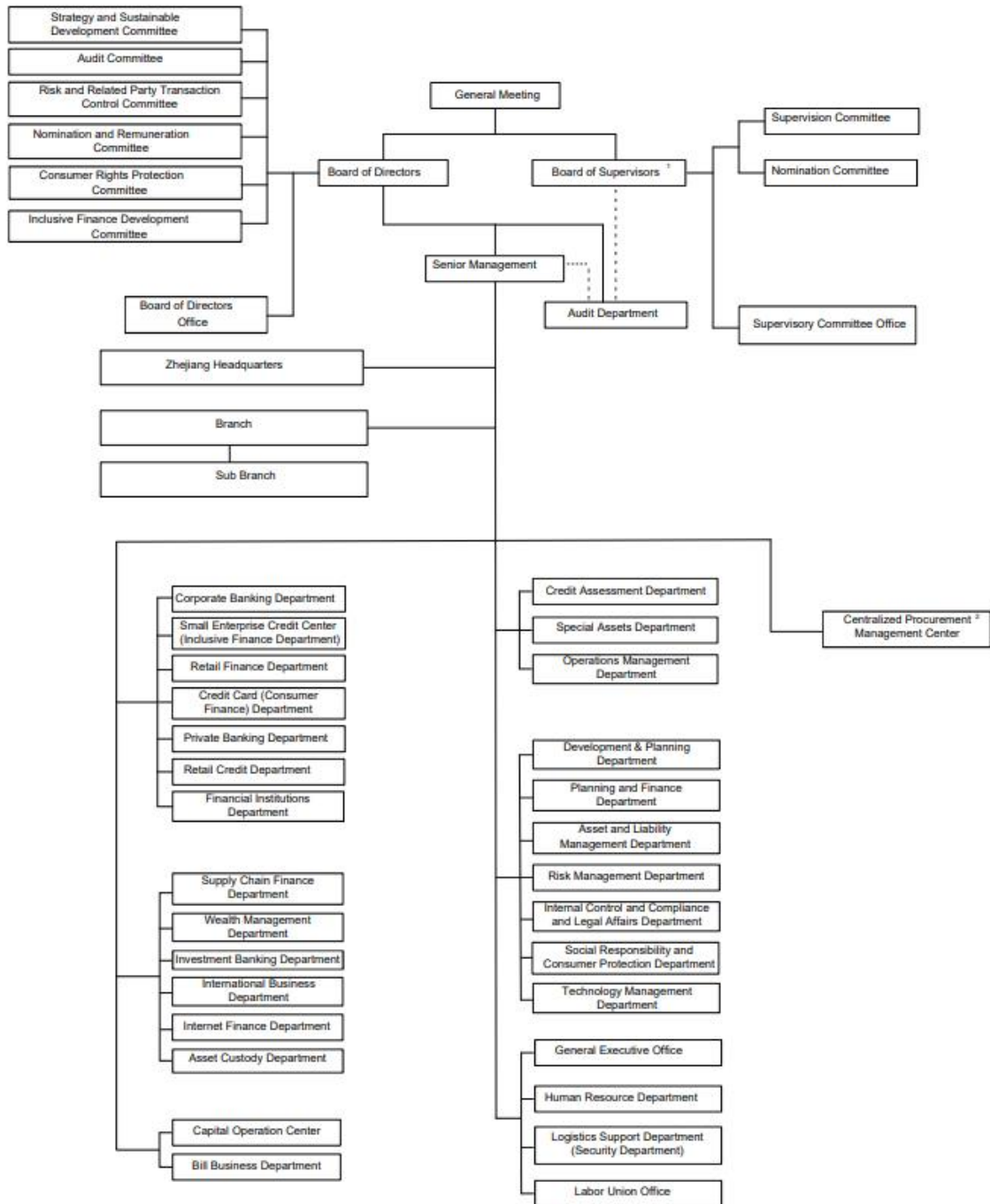
I. Company Profile

China Zheshang Bank Co., Ltd. (“CZBank”) is one of 12 nationwide joint stock commercial banks in China. Headquartered in Hangzhou, Zhejiang province, CZBank officially opened for business on August 18, 2004, and it is an A+H-share listed bank and a domestic systemically important bank. Since its establishment, CZBank has been rooted in Zhejiang, taken a holistic national perspective, fully served national strategies, and strived to provide high-quality and efficient financial services to society. CZBank has grown into an outstanding commercial bank with solid foundations, sound performance and robust risk management.

CZBank has anchored its development vision of being a "first-class commercial bank", always adhering to the fundamental guarantee of comprehensively strengthening the leadership of the Party, taking deep cultivation in Zhejiang province and serving the real economy as the foothold, taking reform, innovation, and governance improvement as the basic path, and taking risk prevention and safe development as the bottom-line requirement. It deeply practices sound management, service excellence, technology empowerment, and talent strengthening, continuously creates distinctive competitive advantages, systematically solidifies the foundation of stable development, and fully embarks on a new journey of high-quality development.

As of the end of 2025, CZBank had set up 373 branches in 22 provinces/autonomous regions/ municipalities and Hong Kong Special Administrative Region, effectively covering key areas such as Zhejiang province, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area. CZBank has two subsidiaries, Zheyin Financial Leasing and CZB Wealth Management. In 2025, we were ranked 82nd in terms of tier-1 capital on the list of the Top 1000 World Banks 2025 published by The Banker, awarded the highest “AAA” rating by CCXI, and assigned an investment-grade international rating by S&P and Moody's.

II. Organizational Structure



Note:

- 1.The relevant bodies of the Supervisory Committee are currently in the process of being dissolved.
- 2.Department directly under the head office.

III. Awards and Honors

Authority	Awards and Honors
“The Banker” magazine	82nd of the “Top 1000 World Banks 2025”
S&P and Moody’s	Investment grade rating
MSCI	MSCI’s ESG rating has risen to the world’s highest AAA level
Eight ministries including the State Administration for Market Regulation, National Development and Reform Commission, Ministry of Finance, and People’s Bank of China	“Leader” in Corporate Standards
National Data Administration	“Data Elements Empowering Supply Chain Finance to Promote High-Quality Industrial Chain Development” Selected in the Third Batch “Data Elements ×” Typical Case in the Financial Services Field
People’s Bank of China (PBOC)	Third Prize of the Fintech Development Award for “Real-Time Computation-Based Global Intelligent Analysis Platform”
Ministry of Industry and Information Technology	“Digital Supply Chain Finance Comprehensive Service Platform” Selected as an Innovation Achievement in Digital Inclusive Finance Products and Services at the 7th National SME Service Month Digital Inclusive Finance Conference 2025
Thirteen departments including Ministry of Industry and Information Technology, PBOC, and National Financial Regulatory Administration	The “Data Center Digital Map” was recognized as Typical Case of Cybersecurity Technology Application
Shanghai Stock Exchange	CZBank rated level A, the highest rating in the 2024–2025 Information Disclosure Evaluation for SSE Main Board Listed Companies
PBOC Zhejiang Branch, State Administration of Foreign Exchange Zhejiang Office and Zhejiang Provincial Federation of Trade Unions	Group First Prize, Individual Second Prize, and Individual Excellence Award in the 2025 Zhejiang Provincial Workers’ Vocational Skills Competition - Banking Financial Markets Professionals Category

Zhejiang Provincial CPC Committee and People's Government of Zhejiang Province	The 8th "Zhejiang Charity Award"
Zhejiang Provincial CPC Committee, People's Government of Zhejiang Province and Zhejiang Provincial Military Command	Model Collective for Loving the Military and Supporting the Army in Zhejiang Province
Social Work Department of Zhejiang Provincial Party Committee	Exemplar Brand for Volunteer Services in Zhejiang Province
Economy and Information Technology Department of Zhejiang	Excellent Case of the "Together for Good" Special Service Action for Small and Medium Enterprises
PBOC Zhejiang Branch	Most Satisfactory Bank for Private Enterprises
PBOC Zhejiang Branch	Pioneer Bank for Serving the "Innovative Zhejiang" Initiative
Zhejiang Provincial Finance and Trading Unions	Honorary title of "Most Beautiful Rest Stop"
Zhejiang Provincial Committee of the China Council for the Promotion of International Trade	Top 10 Excellent Practice Cases in the 2025 Zhejiang Province International Trade and Investment Promotion Best Practice Case Evaluation
Zhejiang Provincial Inter-Ministerial Conference on Anti-Counterfeiting Currency Work	Outstanding Collective in Banking Institutions
People's Daily Online	Innovative Practice Case for Building a Financial Power 2025
China Central Depository & Clearing Co., Ltd. (CCDC)	"Outstanding ABS Originator" in the CCDC Member Business Development Quality Evaluation
China Foreign Exchange Trade System (CFETS)	Market Innovation Institution (Interbank Deposit, CFETS)
China Association for Public Companies	2025 Excellent Practice Case for Sustainability of Chinese Listed Companies
China Banking and Insurance News	Excellent Case in Financial Consumer Protection and Service Innovation Excellent Case in Age-Friendly Services 2025 Jinuo · Chinese-Characteristic Financial Culture Practice

	Case
Sina Finance	2025 Golden Stone Award · Excellent Case of Convenient Age-Friendly Services, Outstanding Inclusive Finance Bank of the Year
Securities Market Weekly	2025 ESG Crystal Ball Award for Listed Companies
Huaxia Times	2025 Excellent Case in Smart Elderly Care Finance
Securities Times	2025 Tianji Award for Regional Influential Bank
Economic Observer	2025 Annual Leading Bank for Supply Chain Finance Innovation 2025 Private Banking Star
Caijing Magazine	Evergreen Enterprise Case
China Financial Times	CZBank's Dream Building Cultural and Creative Brand Selected as a Golden Dragon-Financial Power Case
Cailian Press	2025 "Green Water and Golden Mountain Award"
21st Century Business Herald	Excellent Case in Building Financial Competitiveness
Shanghai Securities Journal – Jin Li Cai	Fixed-Income Product of the Year Award
Xueqiu	Listed Company of the Year for Brand Power
Jiemian News	2025 Excellent Finance Award - Financial Institution of the Year for Serving New Quality Productive Forces
JRJ.COM	CZBank's "Deepening Zhejiang's Development" Initiative won the Jinzhi Award · Outstanding "Small but Beautiful" Regional Financial Contribution Category

Strategy and Management

I. Corporate Culture System

CZBank’s “pyramid” corporate culture system consists of three levels from top to bottom: “Foundation of Culture”, “Content of Culture” and “Purpose of Culture”. In 2025, the Bank actively implemented the “Five Do’s and Five Don’ts” to foster a financial culture with Chinese characteristics, set the goal of becoming the vanguard of Chinese-characteristic financial culture, and fostered a positive financial cultural ecosystem. To achieve this, the Bank issued the *Implementation Opinions on Comprehensively Promoting Reading Culture within CZBank*, developed a unique “1+N+X” reading model tailored to the bank’s needs, cultivated a strong cultural foundation, and deepened cultural integration.

Foundation of Culture
<ul style="list-style-type: none"> • Corporate spirit - Ethical, Beneficent, Inclusive • Shared values - Reverence, Gratitude, Integrity, Responsibility
Content of Culture
<ul style="list-style-type: none"> • Cultural brand - Action, Belief, Future • Cultural characteristics – Six Working Principles; “steadfastness, advancement, creativity, transformation, and excellence”; First-Class in Three Aspects • Cultural connotation - Service Culture, Compliance Culture, Culture of Excellence, Culture of Harmony
Purpose of Culture
<ul style="list-style-type: none"> • Cultural consensus - Instructions of CZBank, Song of CZBank, Convention of CZBank • Cultural projects - Cultural Shaping, Cultural Anchoring, Cultural Nourishing, Cultural Promotion, and Cultural Bloom

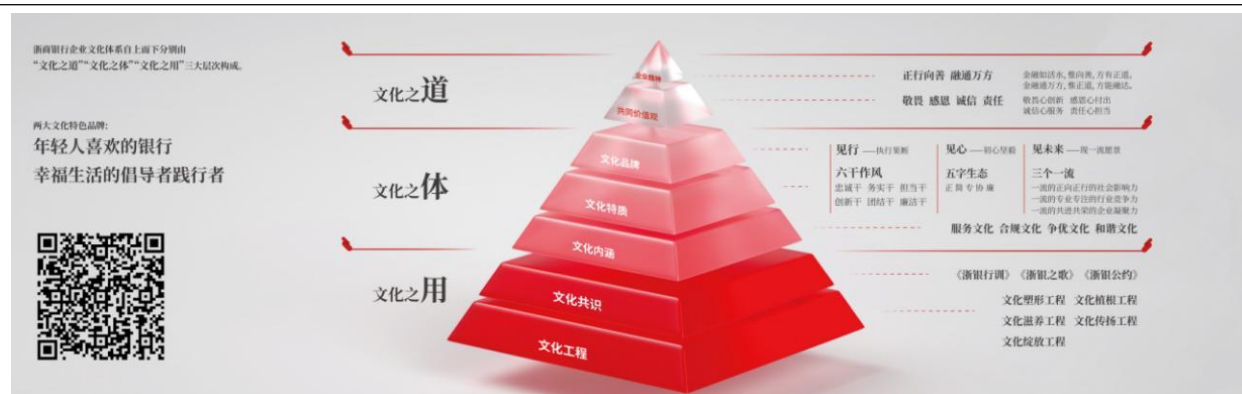


Figure: Corporate Culture Pyramid

II. Sustainability Management

During the reporting period, the Bank further refined its sustainability management system, encouraged greater engagement from the board of directors and senior management in overseeing sustainability and ESG initiatives, and continued to integrate ESG considerations into operational practices.

<p>Decision-making layer</p>	<p>The Board of Directors is the highest decision-making body for ESG management. Its Strategic and Sustainable Development Committee is responsible for reviewing ESG-related strategic plans, policies, objectives and implementation, and supervising rectification. Its Consumer Rights Protection Committee, Inclusive Finance Development Committee and other specialized committees are responsible for reviewing work related to ESG and inclusive finance according to the division of duties. The Board of Directors acts as the ultimate decision-making authority for ESG management. Among its auxiliary branches, the Strategic and Sustainable Development Committee is responsible for the review of holistic ESG strategic plans, policy objectives and their implementation, as well as supervising necessary rectifications. Other committees of the Board, such as the Consumer Rights Protection Committee and the Inclusive Finance Development Committee, are designated to review related ESG and inclusive finance tasks according to their areas of responsibility.</p>
<p>Senior management layer</p>	<p>Senior management forms the backbone for executing various resolutions set forth by the Board and its professional committees pertaining to ESG work. They are responsible for devising strategic plans, policies, and goals while ensuring effective coordination, guidance, and synchronized advancement of related tasks.</p>
<p>Execution layer</p>	<p>The Social Responsibility and Consumer Rights Protection Department serves as the centralized management unit for CSR and ESG work. They collaborate with corresponding departments of the Head Office and all branches to put into action CSR and ESG practices on key issues. Responsibilities include, but are not limited to, formulating basic management frameworks, integrating CSR and ESG concepts into strategic planning and corporate culture, and setting CSR and ESG goals, which are then embedded into business lines and key projects. The team ensures proactive involvement on key issues including inclusive finance, consumer rights protection, data privacy and security, and human capital development. In addition, they are responsible for the creation of annual social sustainability reports and enhancing external communication and collaboration.</p>

III. Double Materiality Analysis

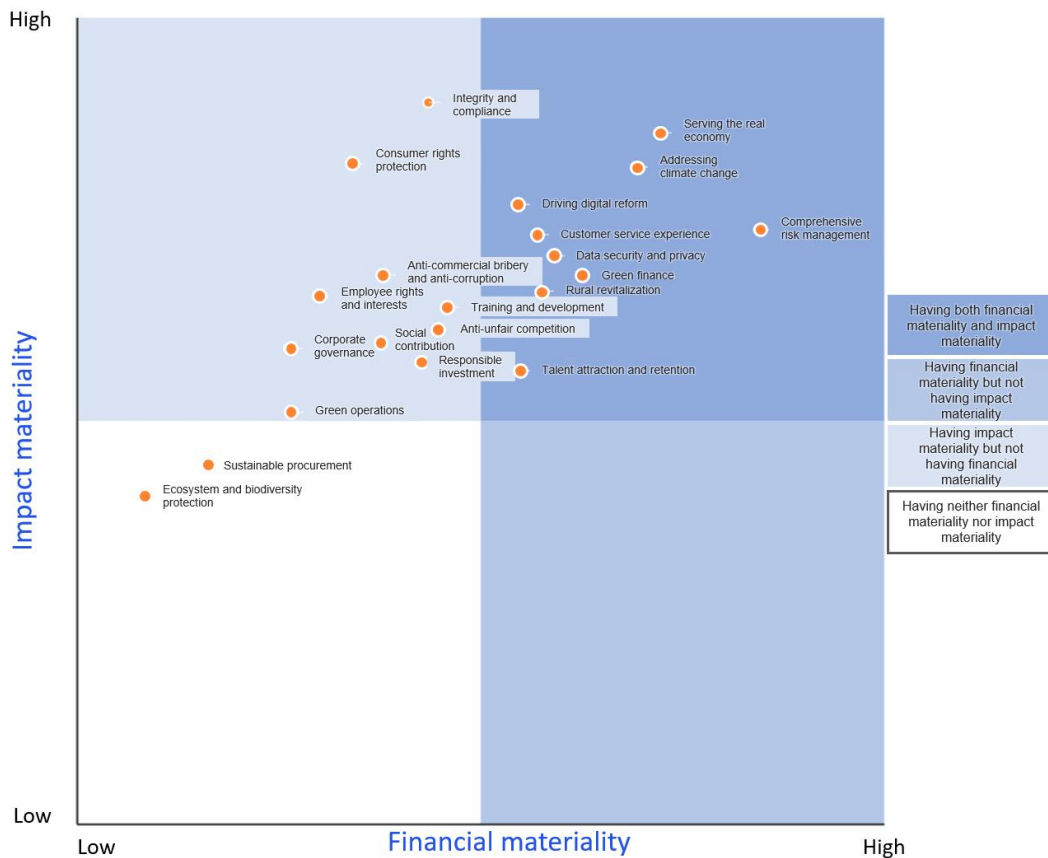
CZBank identified and summarized 21 material topics (as detailed in the matrix below) in accordance with the Self-regulatory Guidance No. 14 for Companies Listed on the Shanghai Stock Exchange — Sustainability Reports (Trial) and the Self-regulatory Guidance No. 4 for Companies Listed on the Shanghai Stock Exchange — Preparation of Sustainability Reports. This process was informed by ongoing stakeholder engagement, the characteristics of the Bank’s business and industry, policy trends, exchange disclosure requirements, and the focus areas of capital market rating agencies such as MSCI, as well as the insights of internal and external specialists. Among these topics, 4 relate to the environmental dimension, 12 to the social dimension, and 5 to the governance dimension. The Bank analyzed the actual and potential impacts, risks, and opportunities associated with these topics, ranked them based on the principle of double materiality, and derived the material topics matrix.

CZBank Double Materiality Analysis Process

<p>Step 1 Understanding the Bank’s sustainability development background</p>	<p>Understand the types of corporate activities, industry characteristics, etc., understand the sustainability background of the Bank through benchmarking national and industry policies, ESG standards and ratings, industry practices, etc., identify and understand the stakeholders affected.</p>
<p>Step 2 Establish a list of topics</p>	<p>Based on the Bank’s actual circumstances and ongoing communication with stakeholders, relevant sustainability topics should be identified, screened, and defined. The actual and potential impacts, risks, and opportunities associated with these topics should then be analyzed.</p>
<p>Step 3 Assessment of topic materiality</p>	<p>Impact Materiality Assessment: By means of quantitative questionnaire survey, stakeholders are invited to evaluate the materiality from two dimensions: "severity of impact" (impact scale, scope, irremediability) and "possibility of impact", and to form the impact material matrix by referring to the opinions of internal and external specialists.</p> <p>Financial Materiality Assessment: In reference to financial indicators and combining qualitative and quantitative analysis, sustainability-related departments and financial experts are invited to evaluate materiality from two dimensions: the possibility of impact occurrence and the severity of financial impact. This evaluation forms the basis of the financial materiality matrix.</p>

	<p>Summary of double materiality assessment results:</p> <p>The assessment results of both impact materiality and financial materiality are integrated, and internal and external experts are invited to review and provide feedback on the analysis process and outcomes of the double materiality assessment. Based on the experts' opinions, the assessment results are refined accordingly to ensure their accuracy and relevance.</p>
<p>Step 4 Topic reporting and management</p>	<p>Summarize and consolidate the analysis results of the double materiality of topics for 2025¹, and disclose those with higher materiality in the sustainability report.</p>

CZBank Materiality Matrix for 2025



1. According to the Bank's Double-Materiality Analysis, the topics of "Ecosystem and Biodiversity Protection" and "Sustainable Procurement (including equal treatment of SMEs and supply chain security)" lack both financial materiality and impact materiality for the Bank. That is, they are unlikely to significantly affect the Bank's financial performance within reasonable expectations and will not have any significant, foreseeable, or identifiable positive or negative impact on the Bank's stakeholders.

IV. Stakeholder Communication

Stakeholders	Expectations and Demands	Communication Channels
Governments and regulators	<ul style="list-style-type: none"> • Serving the real economy • Integrity and compliance operations • Comprehensive risk management • Product and service safety and quality • Rural revitalization • Social contributions • Data security and customer privacy protection 	<ul style="list-style-type: none"> • Study and implement relevant financial policies • Support industry policy formulation • Participate in research visits and meetings • Conduct daily approval and supervision • Submit statistical reports
Customers and consumers	<ul style="list-style-type: none"> • Product and service safety and quality • Data security and customer privacy protection • Integrity and compliance • Investor education • Social Contribution 	<ul style="list-style-type: none"> • Online business processing • Customer needs research • 95527 service hotline • Customer care activities • WeChat, TikTok and other platforms
Shareholders and investors	<ul style="list-style-type: none"> • Integrity and compliance operations • Comprehensive risk management • Increase return on investment • Increase company value • Standardize corporate governance 	<ul style="list-style-type: none"> • Periodic reporting and disclosure • Roadshows and promotion meetings • Shareholders meetings • Investor service hotline and mailbox
Employees	<ul style="list-style-type: none"> • Create a healthy and safe working environment • Protect employee rights and interests 	<ul style="list-style-type: none"> • Workers' Congress • Employee cultural, sports and health activities • Complaint and whistleblowing

	<ul style="list-style-type: none"> • Enhance employee development and training • Talent attraction and retention • Ensure employee benefits 	<p>mechanism</p> <ul style="list-style-type: none"> • “Hive” community
Suppliers and partners	<ul style="list-style-type: none"> • Expand cooperation channels • Promote fair and equitable procurement • Perform agreements with integrity • Promote business ethics and anti-corruption 	<ul style="list-style-type: none"> • Cooperation and exchange • Bidding activities • Supplier research and visits
Communities	<ul style="list-style-type: none"> • Develop inclusive finance • Help rural revitalization • Support charity • Adhere to targeted assistance • Deliver volunteer services 	<ul style="list-style-type: none"> • “One Bank for One School” program • East-West Collaboration Program, “Shan Hai” Collaboration Program, etc. • Employee volunteering activities • Community service activities

Topic 1: Serving the Real Economy through High-quality Financial Services and Comprehensively Promoting the Development of New Quality Productive Forces

In the era of the new Industrial Revolution, new quality productive forces serve as the core driver and cornerstone of high-quality development. Technological innovation has the potential to catalyze the emergence of new industries, business models, and growth engines. The Bank has aligned with the directives of the Central Committee of the Communist Party of China and the State Council, embraced the principles outlined at the Central Financial Work Conference, and steadfastly adhered to serving the real economy as its primary mission. By maintaining a strategic focus on five major areas—technology finance, green finance, inclusive finance, pension finance, and digital finance—the Bank has expanded financial support for the development of new quality productive forces. This effort aims to bolster the transformation and upgrading of the real economy while nurturing new drivers of growth.

I. Optimizing the supply of technology finance

CZBank has fully implemented the initiative of leveraging technology finance to support the development of new quality productive forces, aligning with the central government’s requirements for fostering such productive forces. The Bank regards the development of technology finance as a strategic priority for the entire institution and has issued the *Action Plan for the Development of Technology Finance* to guide and lead the advancement of technology finance across the organization. By strengthening the “four beams and eight pillars” of technology finance, CZBank has adopted a layered, categorized, and phased service strategy to deliver tailored support to technology-oriented enterprises. The Bank has also continuously reinforced supportive policies and resource allocation, enhancing its ability to support key areas of technology and finance, stimulate innovation, and drive development momentum. Through these efforts, CZBank has contributed to the “two-way flow” of technology and finance, fostering a mutually reinforcing relationship between the two.

As of the end of 2025, CZBank had served 35,774 technology-based enterprises, with a total balance of technology loans reaching RMB 270.807 billion. Additionally, the Bank served 4,290 high-level talents. During the year, CZBank’s achievements in technology and financial services were widely recognized, with coverage in authoritative media such as *People’s Daily* and *Xinhua News Agency*. The Bank was also honored with awards including the “Outstanding Technology Finance Case” by *People’s Daily* for its innovative practice in building a strong financial nation in 2025, and the “Typical Case of Innovative Development in China’s Banking Industry in 2025” by *Tsinghua Financial Review*.

Building a professional technology and finance	Focusing on the specialized development of technology finance, promoting the construction of professional teams, establishing dedicated departments or centers at
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team	both headquarters and branch offices, and aiming to establish 100 specialized technology finance teams across the bank within three years to cultivate highly professional technology finance teams.
Enriching technology and financial service scenarios	Expanding service offerings through innovative approaches, prioritizing 15 key scenarios across the lifecycle of technology-driven enterprises, introducing 30 tailored product solutions, exploring pathways for scientific achievement commercialization and IP services, and actively issuing innovation-focused bonds to support breakthroughs in critical technological domains.
Conducting in-depth research on key industry	Targeting strategic industries like biopharma, semiconductors, aerospace, and AI, conduct in-depth research and deliver targeted customer services to capitalize on emerging opportunities in industrial innovation.
Expanding the multi-dimensional financial ecosystem	Develop a multidimensional technology finance ecosystem encompassing government-bank partnerships, equity linkages, and professional services, collaborating with specialized institutions to deliver holistic solutions for tech-driven businesses.

Case: Providing full life cycle financial support for technology enterprises

A certain pharmaceutical enterprise is an innovative biopharmaceutical company specializing in the production technology of recombinant human serum albumin. The company has been designated as a key project under the “National Major New Drug Creation” initiative and the “National Key R&D Plan” by the Ministry of Science and Technology. In 2019, due to substantial investments in research and development, the company experienced a funding shortfall in its new drug development efforts. CZBank swiftly responded by approving a credit line of RMB 5 million through its “Talent Support Loan” program. In 2020, the bank further expanded the credit to RMB 10 million to support the company’s R&D focus. That year, the company successfully completed the first phase of its new drug clinical trials, achieving certifications in both China and the United States. As the company’s R&D investments continued to grow, CZBank progressively increased its credit support to RMB 150 million, assisting the company in securing D-round and pre-IPO financing. In 2023, to support the construction of industrial bases, CZBank raised the total credit to RMB 400 million, facilitating the company’s rapid industrialization. By 2025, the company’s products had been successfully implemented in multiple hospitals across China. Additionally, as one of the first batch listed enterprises under the scientific growth category of the science and technology innovation board, the company achieved a successful IPO on the Shanghai Stock Exchange.



Figure: The industrial park where the biopharmaceutical enterprise is located

Case: Providing financial support to help China's private rockets soar up into the sky

An aerospace enterprise is one of China's pioneering private rocket companies. Achieving the aerospace dream requires unwavering perseverance, akin to "grinding a sword for ten years," as well as the long-term support and precise backing of financial resources. The Bank has dedicated itself to researching and supporting the aerospace sector. From the early stages of the aerospace enterprise's establishment, the Bank assembled a specialized financial service team to maintain close collaboration with the company, providing comprehensive interpretations of economic and financial policies. When the enterprise launched its factory repurchasing initiative, the Bank swiftly responded by extending a 10-year credit facility of RMB 50 million to facilitate factory purchases. This enabled the enterprise to optimize its production capacity layout and achieve mass production of liquid oxygen-methane engines. Subsequently, the Bank expanded its financial support further, providing an additional RMB 100 million in credit to assist the enterprise with liquidity management. By consistently accompanying the enterprise's growth from small-scale operations to becoming a major player, the Bank supported the first successful test of reusable rocket recovery in China. Throughout this journey, the Bank witnessed the enterprise's technological advancements and commercial achievements, demonstrating the effective integration of financial services into the "hard technology" sector and paving the way for impactful industry partnerships.



Figure: Private rocket launch site

II. Opening up the innovation chain and industrial chain

CZBank consistently enhances financial support for technology-leading enterprises, offering comprehensive financial services across the entire value chain, various scenarios, and diverse products to facilitate the financing process within the technology industry chain. By fostering leading enterprises to assume a central role in industrial resource integration, technological innovation, and digital transformation of the industry chain, CZBank strengthens the overall industrial chain. This, in turn, creates a ripple effect, driving growth among upstream and downstream small and micro enterprises. As of the end of 2025, the Bank has served over 2,200 leading enterprises in the science and technology sector, invested over RMB 440 billion in supply chain financing, and reached over 59,000 upstream and downstream customers.

<p>Innovating on-chain financing products</p>	<p>Based on the financial scenarios of on-chain science and technology innovation enterprises, including bidding, orders, accounts receivable, prepayments, and accounts payable, CZBank constructs customized online financing products such as order financing and accounts receivable financing. These solutions are tailored to the business characteristics and financing needs of the industry, ensuring seamless integration into the operational workflows of on-chain enterprises.</p>
<p>Optimizing on-chain credit model</p>	<p>By leveraging the power of big data, CZBank actively utilizes the digital assets generated during enterprise operations, such as tax records, invoices, credit reports, and electricity bill payments. With a focus on the payment scenarios of science and technology innovation enterprises, particularly in relation to procurement and electricity bills, the Bank innovates pure credit models within the supply chain, such as data chain financing and payment white notes. These advancements significantly optimize the service process and efficiency of settlement, delivering a more streamlined and effective experience for clients.</p>
<p>Case: Innovating digital supply chain to promote innovation and upgrading of photovoltaic industry</p> <p>CHINT Energy is dedicated to the two core business areas of “comprehensive energy” and “comprehensive services,” focusing on building an integrated energy service platform that encompasses investment, development, construction, operation, management, and electricity sales. The company has invested in constructing over 2 million domestic household photovoltaic power stations, ranking among the top in market share nationwide. CZBank’s subsidiary, Zheyin Financial Leasing, leveraged the unique advantages of its leasing services to design a tailored leasing solution, “Guanghui Leasing,” specifically for household photovoltaic systems, providing comprehensive support to CHINT Energy. Under this model, farmers provide their idle rooftops, while CHINT Energy develops and constructs photovoltaic power stations on these rooftops. After connecting to the grid, CHINT Energy sells the power stations to Zheyin Financial Leasing, which then leases them to downstream customers. This arrangement allows farmers to earn annual rental income without any initial investment. Furthermore, CZBank has developed an “Accounts Receivable” supply chain financing solution to provide accounts receivable financing services for enterprises along the supply chain, ensuring sufficient working capital for their operations. As of the end of 2025, CZBank’s supply chain finance has served over 100 enterprises in CHINT Energy’s supply chain, with a</p>	

cumulative service amount exceeding RMB 3 billion.



Figure: CZBank cooperated with CHINT Energy's "One kWh Electricity" Public Welfare Foundation to donate campus photovoltaic power stations

Case: Achieving digital financial innovation in electricity use to enable targeted support to the manufacturing industry

China's economic structure is transitioning from a fossil-fuel-driven economy to an electrified one, with manufacturing enterprises becoming increasingly reliant on electricity. This shift has led to rising electricity costs and a growing demand for financing solutions. To address this, CZBank has launched the innovative "Electricity Use Financing" digital supply chain financial service, centered around the core enterprise GJDW. Through this initiative, CZBank provides funding for enterprises' electricity bills using domestic trade financing instruments such as letters of credit and bank notes. Additionally, the Bank transforms electricity consumption data into actionable financial credit, enabling enterprises to access financing based on their usage patterns. By leveraging supply chain white notes, CZBank offers pure credit lines to eligible enterprises without requiring collateral, allowing them to pay their electricity bills efficiently. As of the end of 2025, CZBank's Electricity Use Financing program has served over 1,700 customers, through GJDW and other electricity bill financing services. Among these, over 1,400 are manufacturing enterprises, and over 1,000 are inclusive small and micro businesses. This program has effectively helped small and medium-sized enterprises reduce their financing costs.



Figure: CZBank's electricity bill financing service solves the electricity cost problems of high capacity manufacturing enterprises

III. Enhancing digital finance services

The Bank prioritizes digitalization as its central theme, focusing on scenario-driven innovation and deepening the application of advanced digital technologies such as big data, cloud platforms, and artificial intelligence. These technologies are seamlessly integrated into every stage and aspect of the Bank’s operations, including product development, marketing, operations, risk management, and strategic decision-making. By leveraging the digitization and intelligent transformation of business processes, the Bank constructs a diverse digital financial product and service ecosystem. This ecosystem features a multi-channel strategy, seamless integration of online and offline services, and extensive outreach to external stakeholders. As a result, the Bank enhances the penetration, accessibility, inclusivity, and precision of its digital financial services, effectively driving the deep integration of digital finance and the real economy.

<p>Steadily consolidating the foundation of digital finance development</p>	<ul style="list-style-type: none"> • We vigorously advance the “Refresh Core to Strengthen Foundation” project, focusing on constructing an AI infrastructure system. We have introduced an intelligent assistant named “Zhe Xiao Zhi” and established a unified AI infrastructure capability across the bank. This initiative has successfully supported numerous high-frequency application scenarios, including customer panoramic views, retail AI assistants, and risk assessment and review. • We have comprehensively implemented a three-year action plan for data governance, encompassing the construction of enterprise-level data dictionaries, iterative upgrades to data platforms, and enhanced management of data standards, data assets, and indicators. Additionally, we have strengthened the construction and management of algorithm models, laying a solid foundation for practical data applications. • We continue to expand automation scenarios for operations and maintenance, optimizing the layout of multiple active data centers in the same city. We reinforce “practical and normalized” emergency drills and continuously iterate on the “one foundation and five platforms” cybersecurity architecture. These efforts have achieved precise perception and prevention and control capabilities for cybersecurity, characterized by around-the-clock and digitally intelligent monitoring.
<p>Comprehensively enhancing digital financial service capabilities</p>	<ul style="list-style-type: none"> • We deeply integrate internal and external data assets, continuously developing thematic data applications such as customer tags and customer profiles. These applications support multiple channels, including big data marketing platforms, mobile banking, mini-programs, and small and micro money shops. Through these efforts, we strengthen a unified, comprehensive, and efficient data service system across the bank. • We enhance our digital business management capabilities by iteratively upgrading platforms such as CRM and digital marketing operations. This enables us to innovate and implement scenario-based and personalized financial products, such as sci-tech innovation point loans and digital science loans. Additionally, we accelerate the integration of channel

	<p>construction, optimizing the network-based financial service system encompassing online banking, mobile banking, and remote banking systems. We successfully apply digital video customer service in scenarios like digital person and same-screen assistance.</p> <ul style="list-style-type: none"> • We deepen the implementation of payment facilitation projects, building a multi-level and widely covered payment service system. We optimize the “elderly-friendly” functions of self-service devices and steadily promote the application of digital RMB scenarios. • We iteratively upgrade enterprise-level risk management platforms, such as big data risk control and digital intelligence anti-money laundering. We establish a “LLM+small model”-driven digital intelligence all-inclusive supervision system. We solidly promote the application of internal management digital tools, such as business management cockpits and “horse racing” supervision, to improve the efficiency of resource allocation and refine the bank’s management capabilities. • We expand the digital financial service ecosystem, actively embedding diverse scenarios such as government and people’s livelihood, industrial chains, and consumer ecosystems. We closely cooperate with Zhejiang Province’s financial comprehensive service platform and integrate into the construction of county-level comprehensive financial ecosystems. We iteratively promote the application of products such as Jinfubao-SME, smart parks, and savings deposits. Together, we build a new digital financial ecosystem that complements advantages, is open and win-win, and fosters cooperation and sharing, injecting new momentum into the real economy.
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Case: Building intelligent digital network security protection system and strengthening digital financial security

CZBank focuses on the digital and intelligent transformation in the field of cybersecurity, takes the systematic capability map as the main thread and the "One Foundation, Five Platforms" as the carrier, builds a digital and intelligent cybersecurity protection technology system with full-link, full-asset, full-awareness, full-process coverage and rapid early warning, rapid response, rapid disposal, and forms digital and intelligent operation capabilities of intelligent response, automatic disposal, multi-source assets and observable situation. In the year of 2025, relying on the digital intelligence network security protection system, more than 476,000 types of network security attacks and operational process events were disposed of in total, with an average time of disposal of 3.2 minutes, an automation disposal rate of 99.4%, and a total saving of about 6,600 human-days, providing important support for network security tasks such as important periods.



Figure: CCBank won the "Excellence Award in Financial Network Security Track" in the 2025 Digital Financial Security and Practice Competition

Case: Financial technology empowers enterprises to reduce costs and increase efficiency

CCBank has developed a sophisticated supply chain bill platform that offers a comprehensive, one-stop service encompassing the entire lifecycle of bills. This platform seamlessly integrates essential functions such as settlement, financing, credit enhancement, and management, providing a holistic solution for businesses. To enhance accessibility and convenience, the platform supports multi-channel access, including enterprise online banking, WeChat mini-programs, and financial management platforms. One of the standout features of the platform is its ability to enable online signing of various contract agreements, ensuring a smooth and efficient process for businesses. Additionally, the platform incorporates intelligent review mechanisms for trade backgrounds. The entire business process is further optimized through automated processing, which not only increases efficiency but also ensures transparency and consistency, significantly improving service inclusivity. As of the end of 2025, the supply chain bill platform has achieved remarkable success, with a cumulative bill supply business volume exceeding RMB 45.8 billion.



Figure: CCBank Supply Chain Bill Platform

Topic 2: Building a Zhejiang Demonstration Zone for Common Prosperity

Common prosperity is a core principle of socialism and a defining characteristic of Chinese-style modernization. In its document, “Opinions of the Central Committee of the Communist Party of China and the State Council on Supporting the High-Quality Development and Construction of the Demonstration Zone for Common Prosperity in Zhejiang,” the central government has entrusted Zhejiang with the mission of leading reform efforts. As the sole national joint-stock commercial bank headquartered in Zhejiang, CZBank has aligned itself with the strategic planning of the Zhejiang Provincial Party Committee and provincial government. By fully implementing the primary strategy of “Further Developing Zhejiang,” the bank has embraced its role as a provincial-level financial institution. It has introduced the “Twenty Measures for Comprehensively Assisting Zhejiang Province in Promoting the Demonstration of Common Prosperity,” striving to lead the way and set an example in supporting the construction of Zhejiang’s common prosperity pilot zone.

I. Supporting the construction of major projects throughout the province

CZBank views supporting major project construction as a critical focus for expanding effective investment and promoting common prosperity. In 2025, the Bank convened a special meeting to study and advance its initiatives, strengthen its strategic planning, and develop tailored service plans. It established expedited approval channels for major projects and continued to provide pricing and resource support for provincial-level project construction. Simultaneously, the Bank formed a dedicated team for major project services, implemented a list-based management system and a contact person system, and created an agile response mechanism. The Bank also promoted weekly updates on major project docking services to ensure efficient service delivery. Additionally, the Bank engaged in peer communication and learning, organized specialized training on project loans, and continuously refined its professional service capabilities.

In response to major projects listed in Zhejiang Province’s key construction project list, such as the “Thousand Trillion Project” and the “Hundred Billion Technical Transformation,” the Bank expanded its financing scale for major projects and facilitated efficient project construction throughout the entire process. This was achieved through the issuance of special operational policies, the formation of professional service teams, and the implementation of list-based cooperation. As of the end of 2025, the Bank had supported 46 projects under the “Thousand Trillion Project” list in Zhejiang Province, with a cumulative investment of RMB 3.7 billion that year. Additionally, the Bank had cumulatively supported over 50 high-quality major projects in Zhejiang, including the Xiaoshan Century Ziju Industrial Park, the Dongyang Corise Semiconductor High-End Carrier Board Project, and the Longyou Binshui “Cultural Living Room” project, providing an additional RMB 10.557 billion in financing. This represented a year-over-year increase of over 100%.

Case: Focusing on key project construction and actively serving local economic development

The high-end carrier board project of Corise Semiconductor Technology (Dongyang) Co., Ltd. (Dongyang Corise) is a key investment project supported by the Dongyang Municipal Government. The project plans to invest a total of RMB 5.012 billion to establish a carrier board base for high-end chip packaging, with an annual production capacity of 560,000 chips. The project will be implemented in three phases, and upon completion of the first phase, it will have the capability to produce 280,800 packaging substrates annually, significantly upgrading Dongyang's manufacturing capabilities. The project was included in both Zhejiang Province's "Thousand Trillion Project" and the People's Bank of China's Technical Transformation Re-loan Program in 2025. Given the substantial financing requirements, CZBank acted swiftly to form a project consortium, serving as the lead bank, and collaborated with China Construction Bank and Shanghai Pudong Development Bank to provide syndicated loan financing for the project.



Figure: CZBank supports the construction of Dongyang Corise's Semiconductor High-End Carrier Board Project

II. Boosting the coordinated development around Zhejiang Province

CZBank is leveraging the "Thousand Villages Demonstration and Ten Thousand Villages Renovation" to advance urban-rural integrated development and address the "Three Major Gaps." The Bank is deepening its targeted "One County, One Policy" services for mountainous and island counties. With 22 institutions established in these regions, the Bank achieves a coverage rate of nearly 80%. In 2025, the Bank further promoted the "1+1" collaborative mechanism between village first secretaries and financial advisors, alongside the development of common prosperity workshops and other regional initiatives. In over 10 rural areas, such as Xiajiang Village in Chun'an County and Xijia Village in Longyou County, the Bank has bolstered rural financial development. This has been achieved by supporting collective industry revitalization, expanding agricultural sales channels, offering tailored financial products, and establishing a rural credit system. By the end of 2025, the Bank's loan balance in these counties reached RMB 60.2 billion, with an increase of 1.36 times that of the previous year. This growth rate exceeded the growth rate of the Bank's overall provincial loan disbursement.

Case: "Gardenia Dream Action" helps boosting Xiajiang Village's financial development

On May 27, 2025, the “Gardenia Dream Action” launch ceremony and the Zhejiang Special Session of the Hundred Counties and Hundred Products Agricultural Assistance Action were held in Xiajiang Village, Chun’an County, Hangzhou. Aligned with the “Ten Thousand Enterprises Bringing Prosperity to Ten Thousand Villages” Action and the Zhejiang Charity “Prosperous Together” plan, CZBank and Ant Group focused on three key areas: industry, finance, and cultural tourism. By leveraging innovative models such as resource integration, platform co-construction, and ecological empowerment, they aimed to connect the integrated chain of “industry, academia, research, and sales.” Their collaboration sought to support Xiajiang Village in building a demonstration zone for common prosperity and creating a model village for rural revitalization.



Figure: Launching Ceremony of the "Gardenia Dream Action" and the Hundred Counties and Hundred Products Agricultural Assistance Action

Case: Solving financing difficulties and helping Zhoushan shipbuilders go global

In recent years, the Zhoushan Branch of CZBank has actively responded to Zhejiang Province’s “advancing marine-oriented development” strategy. To address the challenges faced by Zhoushan shipbuilders, including obvious shortcomings in the industrial chain and insufficient professionalism, the branch has innovatively launched ship equipment renewal loan products. As of the end of 2025, the Zhoushan Branch has supported 5 customers with equipment renewal relending totaling RMB 155 million. Additionally, it has issued 15 ship prepayment guarantee letters, with a total value exceeding USD 50 million. These efforts have provided strong financial backing for the “going global” strategy of Chinese shipbuilders.



Figure: CZBank Zhoushan Branch visits a shipbuilder

III. Assisting in the integrated development of strong cities and prosperous villages

CZBank regards the county as the main battlefield for comprehensive financial services, focusing on narrowing the “Three Major Gaps” and concentrating efforts on key areas such as mountainous and island counties and rural farmers. By organically combining financial goodness and practicality, the Bank effectively leverages the comprehensive financial ecological construction in the county, offering suggestions for the upgrading of county industries, investment attraction, debt resolution, and government platform financing optimization. Through these efforts, the Bank actively supports the deepening of urban-rural integrated development. As of the end of 2025, the Bank had established 72 county-level comprehensive financial ecological construction financial consulting studios across the province, an increase of 34 compared to the beginning of the year, achieving a coverage rate of 85.71% for county-level comprehensive financial construction.

Focusing on county-level livelihood services	The “Introducing Government Services into Bank Branches” initiative has been successfully launched, with 60 branches across the province implementing 11 high-frequency services, including provident fund deposit, ID card replacement, and business license issuance. This initiative has achieved significant societal impact.
Integrating into local financial governance	Actively integrating into local financial governance, the Bank is accelerating the promotion of county-level comprehensive financial ecological construction. By leveraging financial advisory studios as the primary platform to aggregate diverse resources, the Bank has developed a number of county-level comprehensive financial construction service plans in key counties such as Fenghua in Ningbo, Lin’an in Hangzhou, Pujiang in Jinhua, Tiantai in Taizhou, and Longquan in Lishui. These efforts have positioned the Bank as a vital financial force supporting the high-quality development of urban-rural integration and the local economy.
Empowering the rural cultural and tourism industry	Focusing on cultural and tourism consumption, the Bank has centered its efforts on the “Poetry and Painting Zhejiang Cultural and Tourism Benefiting Card” and personal credit consumption loans, complemented by multiple value-added services. Through the “card discount + scenery penetration model,” the Bank has constructed a full-chain service ecosystem encompassing scenic spot ticketing, specialty dining, and cultural and creative consumption across the province. This approach has effectively promoted the deep integration of “finance + cultural and tourism,” enhancing residents’ quality of life. As of the end of 2025, the Bank’s annual cumulative provincial-level cloud credit investment reached RMB 12.562 billion, with an increase of RMB 3.727 billion. The cumulative issuance of the “Poetry and Painting Zhejiang Cultural and Tourism Benefiting Card” (Zhejiang Merchants) stood at 19,700 units.
Case: Focusing on the construction of county-level financial ecology and empowering the upgrade Tongxiang City	

Jiaying Tongxiang City, as the permanent host of the World Internet Conference and a leading industrial hub in Zhejiang Province, has made remarkable achievements in the fields of the digital economy, new materials, and new energy. It is also striving to build a hundred-billion-yuan industrial cluster for new energy vehicles and composite materials. To better provide comprehensive financial solutions, CZBank collaborated with the Tongxiang Municipal Government to organize an “Achieving Win-win with Tongxiang” bond issuer-investor docking meeting. The event attracted 19 enterprises, over 40 investment institutions, and more than 100 attendees. At the meeting, CZBank and the Shanghai Clearing House jointly released the nation’s first regional credit bond index, the “Shanghai Clearing House-CZBank Jiaying Credit Bond Index.” This conference marked the establishment of a new model for efficient docking between county-level financial providers and market capital, facilitating preliminary cooperation intentions among multiple enterprises and investment institutions. The event has injected momentum into the high-quality development of Tongxiang City.



Figure: Innovating county-level financial services and releasing the first national credit bond index

Case: Government and the Bank cooperates to promote the construction of county-level comprehensive financial ecology

CZBank Taizhou Branch has aligned with the local “Party Committee and Government Issue” initiative, actively advancing the comprehensive financial ecological construction of Sanmen County. By innovating financial service models, the branch has supported the high-quality development of the local cultural and tourism industry. Through strategic collaborations, such as sponsoring the “CZBank Music Lawn” and jointly developing the Xinhua Urban Leisure Complex in Sanmen County, the branch has successfully created a high-quality urban landmark that integrates leisure, entertainment, and cultural experiences. This initiative has not only enhanced the urban vitality and cultural ambiance of Sanmen County but also unlocked the potential for cultural and tourism consumption at the county level, injecting strong momentum into the upgrade of the local cultural and tourism industry. This effort has set a successful precedent for financial support in local economic development.



Figure: "CZBank Music Lawn" activity site

IV. Jointly striving for common prosperity and balanced development

Small and micro enterprises are a defining feature of Zhejiang's economy. CZBank actively supports local individual businesses, micro-enterprises, farmers, new rural business entities, and other inclusive market players. By enhancing regional economic vitality, narrowing regional disparities, and effectively activating the common prosperity of county development, the Bank plays a pivotal role in fostering inclusive growth.

To further strengthen its commitment, the Bank launched a special action to provide comprehensive financial services to individual industrial and commercial households in Zhejiang Province. This initiative focuses on supporting 45,000 high-quality individual industrial and commercial households, including those classified as "famous, special, high-quality, and innovative," as well as advanced and "most beautiful" individual industrial and commercial households. These efforts aim to assist in the high-quality development of the private economy. By the end of 2025, the Bank had issued loans to 13,800 private business accounts in Zhejiang Province, totaling RMB 29.3 billion. In addition to financial support, the Bank organized a series of "Zhejiang Merchants Lecture Hall" events. These sessions provided training on topics such as comprehensive financial services, intellectual property, legal consultation, and anti-fraud awareness. The goal was to empower individual business owners in the province to enhance their innovation and development capabilities. By the end of 2025, over 150 "Zhejiang Merchants Lecture Hall" sessions had been conducted, benefiting more than 10,000 private business owners.

Case: Providing financial support to entrepreneurs with disabilities

Ms. Tao from Jinhua, Zhejiang, has been living with a disability since childhood. Despite this, she has built a successful processing factory that employs over 300 workers, many of whom are disabled individuals and left-behind women. In 2024, based on her strong credit history, CZBank Jinhua Pan'an Subbranch provided her business with its first "Digital Easy Loan" of RMB 500,000, offering much-needed financial support. In 2025, the company faced challenges due to reduced orders and inventory backlog caused by the United States imposing tariffs. This put significant pressure on the company's funding chain. In response, Jinhua Pan'an Subbranch implemented a rapid response mechanism. Not only did they handle the loan extension without requiring repayment, but they also increased the credit line to RMB 1 million. This timely injection of credit funds helped stabilize the company's production and ensured the employment and income of over 200 employees, particularly

disabled employees.

Case: Providing financial assistance for cluster prosperity to “make nine villages prosperous overnight”

The Da Ta Hou Area in Tiantai County, Taizhou City, serves as a pioneer in the cluster development model within the Taizhou region. Over the past few years, the area has adopted a cluster development pattern characterized by “multi-industry integration and whole-area linkage,” achieving the goal of “leading regional development across the entire area and promoting complementarity through cluster development.” CZBank Taizhou Branch has focused on addressing the industrial development needs of the region, conducting in-depth “Ten Thousand Enterprises Visit” activities. The Bank has also innovated by launching exclusive credit loan products tailored to the needs of returning entrepreneurs, providing precise financial support. Among these efforts, a notable example is a representative who returned to his hometown to start a business. After securing a credit loan of RMB 500,000, he successfully expanded the scale of his homestays and transformed them into high-end accommodations. This led to a significant improvement in business efficiency and created a ripple effect, achieving the goal of “making nine villages prosperous overnight.”



Figure: CZBank Taizhou Branch visiting a customer

Chapter I Governance



I. Adhering to the guidance of Party building

CZBank drives high-quality development through robust party building, consistently viewing it as both an external catalyst and an intrinsic motivator for corporate progress. By fostering seamless integration between party initiatives and business operations, the Bank infuses a powerful red momentum into its pursuit of high-quality development.

(I) Adhere to the Party's ideological guidance

CZBank has undertaken in-depth learning and educational initiatives on the spirit of the Central Eight Provisions. This initiative aims to foster a cycle of learning, self-inspection, reform, and advancement, encouraging all Party members, cadres, and employees to revisit the original aspirations and missions outlined in the instructions. Through theoretical study and case-based warnings, the campaign strengthens Party discipline and conduct. During the learning and education period, grassroots Party committees and branches conducted over 3,900 learning and discussion sessions. Additionally, Party organization secretaries and members of Party committees at all levels delivered over 1,100 special Party courses. Leadership teams systematically identified and compiled a list of issues for centralized rectification, achieving a 100% rectification rate.

(II) Strengthening the Party conduct and clean governance

The Bank prioritizes its responsibility for building a clean and honest party conduct, continuously refining a work system centered on “clarifying and fulfilling responsibilities, performance reporting, and supervision.” It regularly organizes meetings on party conduct and anti-corruption efforts, formulates annual work plans, and sets clear annual goals and priorities.

In 2025, the Bank implemented a comprehensive approach to strengthen accountability by organizing and signing responsibility letters for party conduct and clean governance at all levels. These letters clarified the responsibilities and obligations of leaders, cadres, and employees. The Bank also promoted grassroots party committees to conduct detailed inspections of the implementation of the party’s primary responsibility for strict governance and to evaluate and assess the construction of the political ecosystem. Additionally, the Bank carried out integrity supervision over appointments, assignments, and grassroots party organization rotations, issuing 45 integrity opinions. Furthermore, it refined the assessment indicators for party building, party conduct, and clean governance construction in grassroots party organizations, emphasizing the requirements for positive conduct and discipline. These measures were designed to promote strict adherence to discipline and rules as a norm, ensuring long-term effectiveness.

(III) Building the “Red CZBank” Party building brand

The Bank continues to strengthen the brand recognition and social impact of its “Red CZBank” Party-building brand. To enhance the capabilities of grassroots party work, the Bank organizes meetings on party building and propaganda, as well as centralized training for party cadres. Additionally, it reinforces the application of digital intelligence in party building, iteratively upgrading the “CZBank Digital Intelligence Party Building System” and implementing measures to empower and alleviate the burden on grassroots units. The Bank deepens the construction of “financial enterprise party building samples,” focusing on key areas such as serving the real economy and building a “demonstration zone for common prosperity” in Zhejiang. Through these efforts, a number of replicable and promotable party building cases have been developed. Furthermore, the Bank innovates its brand communication and red education carriers, launching the “Red CZBank Traceability” check-in activity. By integrating red culture, the Bank establishes a solid ideological foundation for its employees.

II. Optimizing corporate governance

In strict accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Banking and Insurance Institutions, and other pertinent laws, regulations, and regulatory requirements, CZBank has established a robust corporate governance framework composed of the General Meeting of Shareholders, Board of Directors and senior management. These bodies, in the scope of their clearly defined responsibilities, supervise while collaborating with each other, collectively ensuring efficient and democratic decision making.

(I) Board composition

In accordance with the listing rules of the place where the Bank is listed, the Bank has formulated the *CZBank Board Diversity Policy* to ensure comprehensive consideration of prospective director candidates’ gender, age, cultural and educational background, professional experience, skills, knowledge, and/or years of service. This strategy facilitates a diverse range of perspectives on board decisions and aligns board composition with the Bank’s development model.

The Board’s composition and number adhere to all legal, regulatory, and listing requirements. Our executive directors, known for their diligence, responsibility, professionalism and efficiency, prioritize board independence. Independent non-executive directors constitute no less than one-third of the Board. Their professional qualifications encompass various fields such as economics, finance, securities, accounting and law. When selecting independent non-executive directors, both the nominees and candidates issue declarations concerning their independence, guaranteeing that in no way have they been deemed non-independent by laws, regulations, regulatory organizations, or exchanges. In addition, for major issues such as reviewing significant related-party transactions and profit distribution plans, the Board consistently requires that independent non-executive directors express their independent opinion on these matters.

Sustainability and ESG elements are integrated into the performance assessment of senior executives. Based on the annual strategic and social responsibility indicators, which account for 10% of the total performance score, we evaluate the progress and accomplishments made in key areas during the year such as inclusive finance, consumer rights protection, green credit, ESG, and anti-money laundering. This directly affects the performance scores of the executives, and subsequently impacts their annual performance-based compensation.

As of the end of 2025, the Board of Directors consisted of 11 directors, of which 2 were executive directors, 4 were non-executive directors, and 5 were independent non-executive directors, with 1 female member; 11 held graduate degrees or higher, including 4 with PhDs.

(II) Board efficiency

The Board of Directors is accountable to the General Meeting of Shareholders and exercises its authority within the scope stipulated by the Bank's charter, ultimately taking responsibility for the Bank's operation and management. The directors are elected or replaced by the General Meeting of Shareholders, and can be dismissed before the expiration of their three year term by the General Meeting of Shareholders. As of the end of 2025, all board members were elected by the General Meeting of Shareholders following legal procedures.

(III) Director performance evaluation

We have established systems for director performance assessment, such as the *Measures of CZBank for Director Performance Evaluation and Accountability*. These systems allow for regular assessment of directors' annual performance, which are then reported to the General Meeting of Shareholders. During the reporting period, all directors diligently fulfilled their responsibilities, actively participated in discussions, contributed their professional opinions cautiously, kept abreast of the Bank's operational and managerial developments, and participated in various training programs and specialized seminars. Meanwhile, independent directors are required to issue an annual duty report detailing their performance on matters concerning the Board, such as related-party transactions, use of raised funds, and commitments and implementation by significant shareholders.

(IV) Board training

We place a strong emphasis on the continuous training of directors to ensure thorough understanding of the Bank's operations and their responsibilities imposed by relevant laws and regulatory requirements. During the reporting period, we invited certain independent non-executive directors to participate in performance briefings. We also organized board members to participate in the 5th capacity building training for independent directors organized by the China Association for Public Companies and the lecture on "Compliance, Sustainability and Market Value Management of Listed Companies" organized by the Hong Kong Chartered Governance Institute for governance professionals, and special trainings on anti-money laundering organized by the Bank, among other training sessions.

(V) Board ESG performance

Please refer to the "Board Statement" section.

For details of the Bank's corporate governance, please refer to the relevant chapters such as "Corporate Governance" in our *2025 Annual Report*.

(VI) Senior management compensation

For detailed information on the compensation of senior management of the Bank, please refer to relevant chapters such as "Information on Directors, Supervisors, Senior Management, Employees and Functions" in our *2025 Annual Report*.

III. Deepening integrity and compliance

CZBank attaches great importance to integrity and compliance operations, strictly abides by laws and regulations, and continues to strengthen employee behavior management, enhance the integrity culture, actively implement anti-money laundering and counter-terrorist financing measures, and eliminate unfair competition. All these efforts aim to lay a solid foundation for sustainable development.

(I) Anti-commercial bribery and anti-corruption

CZBank is dedicated to fostering a culture of integrity and strengthening mechanisms to implement anti-corruption responsibilities. The Bank proactively identifies, accurately assesses, and effectively resolves various corruption-related issues, ensuring continuous improvement in the impact and reach of its anti-corruption efforts.

The Bank places a strong emphasis on strict oversight and disciplinary measures. In 2025, it developed the "Key Priorities for Party Conduct, Clean Administration, and Anti-Corruption Work at CZBank," which includes unified promotion of the "Say No to Corruption" campaign and comprehensive implementation of related initiatives.

Continuously strengthening supervision and discipline enforcement	The Bank strictly adheres to the "four forms" of supervision and disciplinary enforcement, grounded in practical considerations. It accurately identifies, coordinates, and dialectically addresses issues, handling petition-related and report-related leads in accordance with regulations and discipline. The Bank continuously conducts comprehensive analyses of employee violations of laws and discipline, drawing profound lessons and ensuring full coverage of anti-corruption and integrity efforts, leaving no blind spots and showing zero tolerance. Any instances of corruption are rigorously investigated and dealt with, maintaining a strong deterrent effect.
Deepening targeted rectification	To address persistent misconduct, the Bank launched a special rectification campaign focused on transforming work styles. Utilizing the "Four Nos and Two Directs" approach, the Bank conducted open investigations and undercover visits at the grassroots and frontline levels, achieving full coverage of inspections of 37 domestic institutions. The Bank identified shortcomings and strengthened management in areas such as illegal dining

	and drinking, violations of financial discipline, improper bank-enterprise relationships, lack of strict frugality, irregular bus usage management, and abnormal employee attendance. Problems were strictly rectified, and regulations were established to ensure long-term compliance.
Construction of CZBank Integrity Unit	The Bank also implemented a range of anti-corruption cultural activities, including visits to anti-corruption education bases, anti-corruption-themed salons, branch secretaries delivering party lectures, and anti-corruption financial culture promotion months. These initiatives aimed to create practical carriers for anti-corruption culture. On one hand, the Bank focused on enhancing and expanding the “Five Cleanliness” anti-corruption benchmark points, achieving basic full coverage at the branch level and extending anti-corruption culture further to the grassroots. On the other hand, the Bank continuously deepened the “Clean CZBank” project, innovating and developing creative anti-corruption board games and promoting clean financial culture in ways that resonate with younger audiences. In 2025, the Bank’s anti-corruption situational drama, <i>Keep Clean and Peace of Mind</i> , won an award in the Zhejiang Association of Banks’ “Honest Heart, Casting Clean Soul” themed situational drama competition.

(II) Standardizing employee behavior management

The Bank fosters a positive corporate culture, prudent risk management, and high ethical standards. It promotes proper conduct among employees, fosters a culture of compliance, and effectively mitigates operational, compliance, and legal risks. The Board of Directors bears ultimate responsibility for managing employee behavior, while senior management oversees its implementation. This includes establishing a comprehensive employee behavior management system, defining the scope of responsibilities for relevant departments, developing related policies, and ensuring their effective execution. Senior management also provides annual reports to the Board on the outcomes of employee behavior evaluations.

1. Optimizing the regulatory system

The Bank views employee behavior norms as a critical tool for guiding employee behavior and ensuring orderly operations. It continuously strengthens and optimizes the regulatory framework, conducts comprehensive system sorting, organizes post-evaluations of existing effective systems across the bank, and uniformly abolishes ineffective and redundant systems. Simultaneously, the Bank establishes mechanisms for interpreting and internalizing important external regulatory policies and regulations. It organizes interpretations of key external regulations, enhances the compliance and effectiveness of internal systems, and provides compliance guidance for employee behavior.

In 2025, the Bank revised the *CZBank Employee Internal Control Violation Points Deduction Management Measures* (2025 Edition), further clarifying and refining the point-deduction procedures to better align with the *CZBank Employee Violations Handling Measures* (2024 Edition).

2. Enhancing employee compliance awareness

In 2025, the Bank continued to advance the construction of the “Rule of Law in CZBank,” organizing a total of 19 “Monthly Discussion” sessions. The Bank also conducted thematic legal education activities, such as National Security Education Day and the Civil Code Propaganda Month, to enhance employees’ legal literacy. The Bank integrates compliance culture promotion with clean financial culture construction, publishing 48 issues of “Compliance Weekly Questions” and 12 issues of compliance case studies, while also conducting 4 compliance classes and 1 internal control and compliance staff examination. Additionally, each branch has carried out more than 400 top leaders’ compliance lectures, more than 200 “Compliance Lecture” activities, and more than 190 compliance warning education activities. The Bank also organized the theme activity of “Building a Solid Compliance Foundation to Support Business Development” during Compliance Culture Day, further promoting compliance culture to deeply resonate with employees.

3. Handling of employee violations

In response to employees’ violations, the Bank addresses these violations in accordance with relevant regulations and the “separation of investigation and punishment” working mechanism. Through a rigorous process, including steps such as “initiating processing,” “review,” “consultation,” “responsible person notification,” “department deliberation,” “signature (review),” “transfer,” and “decision execution,” the Bank carries out serious accountability work. During the handling of violations, if the violation is suspected of involving disciplinary or legal breaches, it will be transferred to the resident disciplinary inspection and supervision team or the internal disciplinary inspection department for disposal. At the same time, the Bank places great emphasis on conducting accountability work and has fully implemented digital management of accountability. By developing and promoting the “Unified Accountability Digital System,” the Bank has further enhanced the efficiency of monitoring and handling violations.

(III) Anti-money laundering and counter-terrorist financing

CZBank is fully committed to adhering to all anti-money laundering laws, regulations, and regulatory requirements. We have formulated the *Measures of CZBank for the Management of Anti-Money Laundering and Counter-Terrorist Financing*, and developed a wide range of management measures and processes for legal obligations such as customer due diligence, storage of customer identity information and transaction records, reporting of substantial and suspicious transactions, list monitoring and anti-money laundering risk assessment, as well as for aspects such as system application, anti-money laundering security and confidentiality, internal supervision and assessment, reward and punishment, and emergency response. These initiatives delineate the distribution of anti-money laundering responsibilities among various entities, standardize corresponding performance requirements and processes, and establish a comprehensive operating mechanism for anti-money laundering measures.

In 2025, the Bank formulated the *CZBank Anti-Money Laundering Reward and Punishment Management Measures* and other related systems. It strengthened customer money laundering risk management and improved the effectiveness of customer due diligence. The Bank conducted monitoring and reporting of large

and suspicious transactions, deepened the application of AI, and optimized suspicious transaction monitoring models. It also enhanced the construction of the anti-money laundering data mart, deepened anti-money laundering data governance, and elevated the level of digitization. Additionally, the Bank improved risk prevention and control mechanisms in key areas, strengthened the management of high-risk businesses and customers, intensified anti-money laundering supervision and risk investigation efforts, and provided business risk warnings. The Bank organized anti-money laundering publicity and training to improve the performance level of all staff in anti-money laundering. Furthermore, it actively cooperated with anti-money laundering investigations and inquiries, effectively implementing various anti-money laundering regulatory requirements. The Bank implements anti-money laundering (AML) training through a tiered and tailored approach, ensuring comprehensive coverage for all personnel, including directors, supervisors, senior management, AML staff at headquarters and branches, business department personnel, and new employees. In response to the new *Anti-Money Laundering Law of the People's Republic of China*, which came into effect in 2025, the Bank organized multiple online and offline training sessions. These included online learning modules on the new AML law, a 2025 AML training program for directors, supervisors, and senior executives, and workshops on “Key Points for Financial Institutions to Fulfill Their Obligations Under the New AML Law.” Based on the latest AML regulations issued by the People’s Bank of China, the Bank also conducted specialized training on the identification of beneficial owners, special preventive measures, and institutional money laundering risk self-assessment. Additionally, the Bank continuously carried out its “One Lesson per Month” series of AML training sessions and participated in external training programs organized by institutions such as the China Financial Training Center. These efforts aim to cultivate the concept of “all-staff AML obligation fulfillment,” promote learning through training, and effectively enhance the overall performance level of the Bank in AML compliance.

(IV) Anti-unfair competition

CZBank is dedicated to establishing a fair and equitable business environment, strictly adhering to business ethics and behavioral standards. This commitment has been integrated into the operation and growth of each business line to advance employees’ awareness and capabilities to mitigate unfair competition, antitrust, and other illicit practices. In 2025, CZBank did not face any litigation or administrative penalties related to unfair competition behavior.

(V) Audit supervision

The Bank views internal audit as a critical safeguard measure to mitigate the occurrence of corporate violations and prioritizes the execution of internal audit work. The scope of internal audit encompasses the business operations, risk management, and internal control compliance of all levels of the Bank’s operational management institutions and its holding subsidiaries, as well as the economic responsibility audits of corresponding personnel.

The Bank regularly conducts on-the-job or post-employment economic responsibility audits, strengthens performance oversight, and encourages key personnel to exercise their authority responsibly and fulfill their duties diligently. It also undertakes various special audit projects on a regular basis, covering areas such as credit business, risk management, information technology, and assets and liabilities. These audits aim to objectively assess the current state of the Bank's business development and risk management. Additionally, based on the Bank's business operations and anti-money laundering risk profile, regular anti-money laundering special audits are conducted. In both economic responsibility audits and special audits, a combination of off-site data analysis and on-site inspections is employed to identify various types of employee abnormal behavior, thereby enhancing audit oversight. From 2023 to 2025, economic responsibility audits, internal control evaluation audits, and special audits achieved full coverage of all domestic and foreign branches and subsidiaries.

(VI) Intellectual property protection

CZBank faithfully adheres to the *Trademark Law of the People's Republic of China* along with other laws and regulations pertaining to intellectual property. Focusing on the creation, utilization, protection, and administration of intellectual property, we've developed an internal management structure, composed of the *Measures of CZBank for Trademark Management* and other rules and regulations. In the realm of intellectual property management, we align our efforts with the requirements of brand building and business product promotion. This involves timely applications for trademarks and other intellectual property rights to legally safeguard the Bank's various innovative accomplishments. As of the end of 2025, the Bank had successfully registered 551 trademarks, including 483 domestic trademarks and 68 overseas trademarks.

(VII) Performing our tax obligation

The Bank adheres to the principle of "paying taxes in accordance with the law," strictly complying with the tax laws and regulations of the countries (regions) in which it operates, including the *Enterprise Income Tax Law of the People's Republic of China*, the *Personal Income Tax Law of the People's Republic of China*, the *Tax Collection and Administration Law of the People's Republic of China*, and the *Guidelines for Tax Risk Management of Large Enterprises*. The Bank continuously optimizes its tax risk management system and processes, developing the *CZBank Tax Management Measures (2025 Edition)* and a series of tax management systems, such as the *Implementation Rules for Tax Management of CZBank (2022 Edition)* and the *Implementation Rules for Value Added Tax Management of CZBank (2025 Edition)*. These measures clarify the organizational structure, division of responsibilities, operating procedures, risk control, and other aspects of tax management, improving the tax risk management system and comprehensively standardizing various tax-related procedures. Additionally, the Bank further strengthens its understanding and application of tax policies, fostering awareness of the importance of lawful and compliant tax payment.

IV. Strengthening risk management

CZBank regards risk management as the core component of business operation, and has established a comprehensive and efficient risk management framework and continuously improved the "three lines of defense" system of risk management to effectively identify, assess, monitor and control various risks, balance operating effectiveness with risk control and ensure its sustainable and healthy development.

(I) Risk management structure

The Bank has established a robust organizational structure and a clear risk governance framework with well-defined responsibilities. The Board of Directors is ultimately responsible for comprehensive risk management, while senior management is tasked with implementing risk management strategies. The Bank appoints a Chief Risk Officer (CRO), who operates independently from operational and business lines and reports directly to the Board of Directors on comprehensive risk management. Additionally, the Board of Directors has established a Risk and Related Party Transaction Control Committee. The Senior Management has established special committees including the Risk Management Committee, Asset and Liability Management Committee, Information Technology Management Committee, Data Governance Committee, and Innovation Management Committee and other deliberative bodies.

The Bank assigns direct responsibility for risk management to the business lines, while the risk management line is responsible for formulating policies and processes, as well as monitoring and managing risks. The internal audit department audits the performance of both the business and risk management departments. To support comprehensive risk management, the Bank appoints risk monitoring officers to certain departments and branches of the Head Office, who assist department heads and branch presidents in organizing risk management work, conducting independent business evaluations, and reporting on risk matters.

In accordance with the Notice of the China Banking Regulatory Commission on the Guidelines for Comprehensive Risk Management of Banking and Financial Institutions and the risk management guidelines and methods issued by the China Banking and Insurance Regulatory Commission (CBIRC), the Bank has established and improved a comprehensive risk management system that covers various risks and business lines. This system includes, but is not limited to, methods for comprehensive risk management, qualitative and quantitative risk management approaches, risk management reports, stress testing arrangements, new product risk assessments, capital and liquidity adequacy assessments, and emergency plans and recovery plans for significant business and institutional changes. Simultaneously, the Bank updates its institutional measures in line with the latest regulatory guidelines to ensure alignment with regulatory requirements.

(II) Risk management strategy

The Bank adopts a risk preference centered on "prudence and stability," upholding a credit strategy focused on "low risk and average return." It also remains committed to the political and people-oriented principles inherent in financial work. Driven by the goal of serving the real economy, the Bank prioritizes a scenario-based approach, enhancing its investment and research capabilities. It also strengthens credit leadership, improves risk forecasting, and optimizes asset allocation. To enhance unified credit management, the Bank

reinforces end-to-end credit control, strictly enforces the “three checks” management framework, and solidifies the foundation of credit administration. The Bank intensifies risk prevention and control measures in critical areas, strictly curtails the emergence of new risks, expeditiously resolves existing risks, and ensures the stability of asset quality. By deepening the integration of risk control systems, the Bank elevates the sophistication of intelligent risk management, thereby safeguarding the high-quality development across the Bank.

(III) Risk management process

The Bank has established a comprehensive risk preference management system that covers a wide range of major risks, including capital adequacy, credit risk, market risk, bank account interest rate risk, liquidity risk, operational risk, compliance risk, reputation risk, strategic risk, and information technology risk management. The Bank employs a combination of qualitative and quantitative methods to identify, measure, evaluate, monitor, report, control, or mitigate the various risks associated with on- and off-balance-sheet, domestic and overseas, and domestic and foreign currency transactions. These processes are applied to various subsidiaries, branches, and business lines at both the group and legal entity levels.

1. Risk management assessment and evaluation

The Bank has established a comprehensive assessment and evaluation framework that incorporates risk management metrics. The framework is regularly updated to align with the Bank’s annual work priorities. The assessment process encompasses two key components: foundational risk management and risk management line evaluation. The outcomes of these assessments are integrated into various performance evaluation mechanisms, including comprehensive performance reviews, advanced selection processes, and performance evaluations for branch team members. Additionally, the Bank places strong emphasis on enhancing risk management capabilities through training and promoting risk awareness. It develops an annual risk management training program to foster continuous improvement in risk-related competencies. The training curriculum covers essential topics such as credit policy, post-lending management, and the operation of risk management systems. The Bank employs a blended learning approach, combining both online and offline methods, to ensure that the business line consistently achieves higher levels of risk management proficiency.

2. Accountability for non-performing assets

The Bank continuously enhances its accountability mechanism and improves the accountability system by formulating specific frameworks, such as the *CZBank’s Non-performing Asset Accountability Management Measures* and the *Notice on Clarifying Relevant Matters of Non-performing Asset Accountability*. These measures aim to further strengthen the scientific, precise, practical, and enforceable nature of risk asset accountability work.

The Bank has further refined the management process for non-performing asset accountability, transitioning from a combined investigation and punishment approach to a separated investigation and punishment approach. This shift involves clarifying the criteria for identifying violations, refining the standards for

disciplinary actions, other forms of handling, and economic penalties. The Bank also emphasizes a stricter tone and holds individuals accountable for violations such as intentional misconduct, criminal activities, repeated offenses, and moral risks. Additionally, the Bank implements and improves a closed-loop tracking mechanism, strengthening the oversight of the enforcement of accountability decisions. Dedicated personnel are assigned to monitor each case, ensuring that all handling decisions are fully executed and that accountability is enforced to the fullest extent.

(IV) Metrics and targets

The Bank adheres to a “prudent and steady” risk appetite, deepening risk system empowerment and elevating the level of intelligent risk control. As of the end of 2025, the Bank’s non-performing loan ratio stood at 1.36%, with a provision coverage rate of 155.37%. The asset quality remained stable, and all relevant indicators aligned with the Bank’s internal risk appetite management requirements.

V. Building a digital and intelligent CZBank

Since launching the “Digital Intelligence CZBank” brand and the “185N” digital reform system in 2022, CZBank has developed a core architecture centered around the “Digital Intelligence Brain + Eight Digital Intelligence Systems,” establishing digital reform as one of our four strategic focuses. By 2025, the Bank continued to maintain this strategic focus, deepen the comprehensive, collaborative reform centered on “customer-centric” principles, and redefine the customer service system through digitization, thereby driving high-quality development through digital transformation.

(I) Digital transformation governance

The Bank has been continuously enhancing its digital transformation governance structure, establishing a comprehensive top-down information technology governance system that spans four levels—decision-making, management, execution, and supervision—and incorporates three lines of defense: technology, risk compliance, and auditing. At the decision-making level, the governance framework includes the board of directors, the Party committee, the digital reform promotion leadership group, and the network security work leadership group. The management level comprises senior management and specialized committees, such as the Information Technology Management Committee and the Data Governance Committee. The execution level, serving as the “first line of defense,” consists of the Science and Technology Management Department, business departments, and branch offices. The supervision level, comprising the “second and third lines of defense,” includes the risk management department, legal compliance department, and risk monitoring officers dispatched by the head office to the technology management department. The “third line of defense” is represented by the audit department of the head office.

In 2025, all levels of the Bank diligently fulfilled their responsibilities, organizing over 10 meetings focused on advancing digital reform, the Bank-wide science and technology conference, the Information Technology Management Committee meetings, and head office-level science and technology-related special topics. These

efforts were aimed at deploying and implementing key initiatives such as core revitalization, data governance, and AI construction, while also ensuring the orderly advancement of digital transformation-related work.

(II) Digital strategy

The Bank has identified digital transformation as one of its four strategic priorities and the primary focus for future innovation and development. To advance this agenda, the Bank has released the *CZBank Digital Reform and Development Plan for 2024-2026* (revised mid-term), defining phased implementation goals and outlining key initiatives to systematically advance the development of science and technology. Concurrently, the Bank is strengthening performance evaluation by incorporating digital-related metrics into the bank-wide performance assessment framework. This ensures a structured and orderly evaluation of the digitalization progress across head office departments, domestic and international branches, and subsidiaries.

<p>Strengthening the construction of data assets to Improve data availability</p>	<ul style="list-style-type: none"> • We undertake data resource collection and inventory, forming a comprehensive data resource catalog for the entire bank. We deepen the construction of two product catalogs for accounting and marketing, establishing a product management system to achieve unified management of product information across the Bank. • We continue to advance the construction of a data middle office, with two new thematic data marts added for audit and operations. We establish a comprehensive indicator system covering the entire bank, iteratively upgrading the indicator management platform. Key enhancements include the addition and optimization of important functions such as data fluctuation warning, manual derivative measurement automation, and customized approval of indicator processes, thereby continuously strengthening the practical data foundation. • We strengthen the construction and management of algorithm models, improving risk control models for anti-fraud, anti-money laundering, and credit fraud. We promote the coverage of retail line marketing models, optimize corporate line marketing models, and effectively enhance capabilities in marketing customer expansion, risk management, internal control compliance, and other areas.
<p>Deepening data application to enhance data service capabilities</p>	<ul style="list-style-type: none"> • We deeply integrate internal and external asset data, continuously building thematic data applications such as customer tags and customer profiles. These applications serve multiple channels, including big data marketing platforms, mobile banking, mini-apps, small and micro money shops, and are widely applied across various business lines. • We strengthen the construction of a unified, comprehensive, and efficient data service system throughout the bank, continuing to develop systems such as data services, stream computing, enterprise connectivity, and knowledge graphs. We accelerate the promotion and adoption of YiCha Platform platforms, supporting data retrieval in business scenarios such as smart management, comprehensive collaborative reforms,

	and regulatory reporting, thereby enhancing the accessibility of data across the bank.
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(III) Digital risk management

The Bank deepens the application of advanced technologies such as big data and artificial intelligence to construct a comprehensive and real-time digital risk prevention and control system. By iteratively improving digital risk management platforms, including big data risk control and anti-money laundering systems, the Bank strengthens and enriches the construction of general and characteristic scenario risk model systems, as well as risk lifecycle management. The Bank also continuously enhances the protection systems for network, data, and application security, effectively improving risk identification capabilities and achieving the digitalization, automation, and intelligence of risk management and early warning.

In 2025, the Bank revised the CZBank Data Security Management Measures and CZBank Outbound Data Security Management Implementation Rules, and formulated the CZBank Data Security Protection Technical Specifications and CZBank Data Classification and Grading Management Implementation Rules. These measures were taken to promptly respond to regulatory requirements. Simultaneously, the CZBank Information Technology Outsourcing Risk Management Measures clarified the Bank’s information technology outsourcing strategy, organizational structure, and responsibilities for risk management. The measures also established requirements for outsourcing access, contracts, and risk management, ensuring strict compliance with relevant laws and regulations. The Bank does not rent, sell, or provide personal data to third parties.

<p>Ensuring the safe and compliant use of user data by third parties</p>	<ul style="list-style-type: none"> • We establish robust mechanisms for outsourcing project access, including risk assessments and vendor due diligence, supported by electronic processes, to ensure technical rigid control over risk identification during the outsourcing access phase. • We conduct comprehensive training for outsourcing personnel and require them to sign personal security and confidentiality commitments. Access to data is granted on a need-to-know basis and under the “minimum authorization” principle. Background verifications are conducted for key outsourcing personnel with sensitive data access permissions. • We regularly conduct outsourced network security and data security inspections and promptly address any risk issues identified during these inspections.
<p>Improving the security of financial data and personal information</p>	<ul style="list-style-type: none"> • We have developed a comprehensive data classification framework and tools to facilitate the organization and safeguarding of data assets. Our approach adheres to the need-to-know and “minimum authorization” basis and “separation of duties,” ensuring that data classification and control are implemented effectively. Additionally, we establish account permissions, define data usage boundaries, and set data display parameters based on specific business scenarios to enhance security. • We are advancing the development of a “1+4+N” data security technology

	<p>framework, which integrates multiple layers of protection. This system incorporates tools such as sensitive file scanning engines, API data security monitoring, terminal document security management, database auditing, zero trust architecture, dynamic desensitization, and static desensitization. By combining these elements, we create a robust, three-dimensional defense mechanism aimed at strengthening financial data and personal information control, thereby enhancing customer privacy protection and sensitive information management.</p> <ul style="list-style-type: none"> • We are proactively investigating the specialized application of generative artificial intelligence (AI) within data security contexts. This exploration focuses on enhancing specific sub-scenarios such as data classification, threat automatic response, high-adversarial phishing detection, API interface risk monitoring, and data leakage prevention. By leveraging generative AI, we aim to comprehensively improve data security operational efficiency, risk identification capabilities, and threat response levels.
<p>Data security monitoring, reporting, and emergency response mechanism</p>	<ul style="list-style-type: none"> • We enhance our data security risk monitoring by aggregating data flow logs from multiple sources. We concentrate on implementing technical support and risk monitoring measures for scenarios like internet access, third-party data transmission, and usage. We promote the adoption of automated and intelligent risk warning and disposal mechanisms to promptly detect and address data security risks, such as data leakage. • In accordance with the implementation rules for information system security vulnerability management, upon identifying or receiving information about security vulnerabilities in the bank’s information system, we promptly notify the information security management department. This department collects vulnerabilities from regulatory authorities and external agencies, verifies them, analyzes their impact scope and urgency, and ensures comprehensive resolution through investigations and closed-loop management. • We continuously update and enhance emergency plans for network and data security. We refine emergency scenarios for network and data security incidents, clarifying response processes and methods based on the incident’s subject and context. Regular emergency drills are conducted to ensure swift and effective handling of sudden security incidents, thereby strengthening our overall emergency response capabilities.

(IV) Metrics and targets

The Bank places strategic guidance and business orientation at its core, constructing a comprehensive evaluation system centered on four key dimensions: digital application construction, brand building, talent

cultivation, and institutional mechanisms. Adhering to the principle of “balancing procedures with results,” the Bank emphasizes the ultimate effectiveness of its transformation efforts and strengthens the initiative and collaboration of the entire organization in advancing digital transformation. To ensure the effective implementation of evaluations, the Bank has established the *CZBank Head Office Digital Reform Evaluation Management Measures*, which employs a combination of qualitative and quantitative methods to conduct a list-based and differentiated assessment of the progress and effectiveness of digital reform across departments. Evaluation results are incorporated into the head office department comprehensive performance evaluation system, with a strong focus on result application and closed-loop management to drive continuous improvement. Additionally, the Bank has implemented a dynamic management mechanism for the annual digital major application “Yi Ben Zhang” with updates and tracking conducted quarterly. As of the end of 2025, more than 80 major digital application projects listed in the “Yi Ben Zhang” for this year have been successfully completed as planned.

Chapter II Economy



I. Cultivating inclusive finance

Small and micro enterprises are a vital part of the national economy, playing a crucial role in economic development, stable employment, and enhancing people’s livelihoods. CZBank adheres to its original mission of serving the real economy and always prioritizes small and micro enterprises as a strategic focus area for the entire bank. The Bank is dedicated to addressing challenges such as limited access to financing and high costs for small and micro enterprises, supporting the stable and healthy growth of the SME economy. As of the end of 2025, the Bank’s key inclusive loans² reached RMB 358.198 billion.

(I) Inclusive finance management structure

The Bank continuously enhances its strategic framework for inclusive finance, with the Board of Directors regularly reviewing the institution’s business plans and work reports related to inclusive finance. To strengthen oversight and drive progress, the Board has established an Inclusive Financial Development Committee, which meets periodically to review significant matters and oversee the expansion and refinement of the Bank’s inclusive financial services. In 2025, the Board examined key topics such as the “2024 Work Summary and 2025 Work Plan for Inclusive Small and Micro Finance of CZBank” and the “Implementation Plan for the High-Quality Development of Inclusive Finance in the Banking and Insurance Industry,” offering strategic direction for the comprehensive advancement of inclusive finance initiatives. At the head office level, the Bank has established a Small Enterprise Credit Center (Inclusive Finance Department), to oversee the development and management of inclusive finance activities across the entire organization. This dedicated unit is responsible for strategic planning, policy formulation, product development, marketing, process optimization, system construction, brand promotion, and risk management, ensuring a holistic approach to advancing inclusive finance.

(II) Inclusive finance development strategy

The Bank is committed to advancing a customer-centric collaborative reform strategy, strategically adjusting and optimizing its asset structure through “digital empowerment, scenario-driven customer acquisition, and comprehensive operational integration.” By leveraging these approaches, the Bank continuously refines its inclusive small and micro customer engagement model, striving to achieve excellence in the inclusive finance sector. The Bank also works to enhance the impact of its “CZBank Digital Inclusion” initiative, contributing to sustainable economic development.

2. According to the Notice of the General Office of the People’s Bank of China on the Statistical Work for Five Major Financial Articles (Yin Ban Fa [2025] No. 66), adjustments have been made to the statistical criteria for disclosure.

<p>Digitalization empowering business transformation</p>	<ul style="list-style-type: none"> • We adhere to a combined online-and-offline approach, focusing on key scenarios for small and micro enterprises. We prioritize high-quality small and micro-enterprise customers within industrial and service chains, as well as upstream and downstream ecosystems. By leveraging the advantages of digital products like “Zhe Ge Hao · Shu Yi Dai,” we streamline operations and enable rapid credit approval. Additionally, our “1+1+N” digital service system has started to take shape, transitioning from a model centered on “single product + acquisition through scattered orders” to one focused on “exclusive scenarios + batch entry.”
<p>Accelerating Scenario-based financial services</p>	<ul style="list-style-type: none"> • We conduct in-depth research into the needs of legal entity customer scenarios, renovating and upgrading the “10+N Park Comprehensive Financial Service Plan.” We enhance services such as “future to spot” and “mortgage refinancing,” adapting to the diverse and continuous financing requirements of customers. By collaborating with multiple business lines, we comprehensively address the full-cycle financial needs of enterprises, including settlement, relocation, production, and ongoing operations. As of the end of 2025, the total business scale for small enterprise parks reached RMB 100.288 billion, an increase of RMB 10.883 billion compared to the beginning of the year. • We implement a technology finance strategy to fully support small and micro science and technology innovation enterprises. As of the end of 2025, the balance of the Bank’s talent, science and technology innovation loans to SMEs was RMB 2.164 billion, representing a growth of 30.28%. • We promote the modernization and transformation of key industry equipment, actively supporting small and micro manufacturing enterprises in developing toward high-end and intelligent directions. As of the end of 2025, the balance of SME equipment loans was RMB 3.998 billion, an increase of 14.39% compared to the beginning of the year.
<p>Taking multiple measures to alleviate enterprises’ difficulties</p>	<ul style="list-style-type: none"> • In response to the national directive to “support stable market expectations through a coordinated package of financial policies,” the Bank has implemented a “Timely Financial Assistance” initiative and introduced 18 targeted measures to support small and micro enterprises facing operational challenges and significantly impacted by tariffs. • Building on the “Support for Small and Micro Enterprise Financing Coordination Mechanism,” we are intensifying efforts to assist small and micro enterprise customers experiencing temporary financial difficulties but demonstrating strong repayment intentions. This includes offering solutions such as loan extensions, refinancing, and restructuring. Additionally, we provide preferential terms—such as quota allocations, reduced interest rates, and streamlined processes—to distressed enterprises meeting specific criteria. For eligible clients, we also proactively engage in early negotiations to establish

tailored renewal plans and offer convenient loan renewal options.

Case: Supporting SMEs through inclusive finance

Muzhi Technology, a technology-driven small and medium-sized enterprise based in Puyuan, Tongxiang, Zhejiang, specializes in the textiles and clothing industry. When the company faced a financial shortfall due to expanding production at a new location, the Jiaxing Branch of CZBank stepped in to address the challenge. By deeply understanding the seasonal peaks and fast turnover characteristics of the sweater industry, the bank designed a tailored financial solution—the “Sweater Joint Wealth Loan”—specifically for Muzhi Technology. Within just three days, the bank approved a loan of RMB 2.8 million and facilitated a seamless loan extension without repayment, effectively resolving the company’s financial difficulties. Today, Muzhi Technology has increased its daily production capacity to 20,000 units and created employment opportunities for nearly 200 individuals, demonstrating the transformative impact of the bank’s support.



Figure: Small business account managers visit Muzhi Technology’s production base

Case: Supporting the “Joyful Events” industry through virtue point loan

A festive product processing enterprise in Jinan has been deeply involved in wedding and festival decoration products for many years, accumulating virtue points through honest management and compliant production practices. In response to the recovery of the Joyful Events industry, the company sought to expand production and upgrade its production lines for environmentally friendly materials. However, traditional financing collateral constraints hindered its progress. Leveraging the “virtue points + credit + finance” transformation mechanism, CZBank Linyi Branch utilized virtue points as the core credit basis to help the enterprise successfully secure a “virtue point loan.” Once the funds were disbursed, the company swiftly utilized them to procure materials and automate equipment, effectively addressing the financing challenges of small and micro enterprises. This initiative not only resolved the company’s financial difficulties but also transformed the value of honest management into tangible developmental momentum, demonstrating the transformative impact of innovative financing solutions.



Figure: Financial advisors of CZBank Jinan Branch learning about the Virtue Points System in Yishui County

(III) Inclusive finance risk management

The Bank has established a robust foundation for the high-quality development of inclusive finance by leveraging digital risk control. By embedding digital elements throughout the entire risk management process of inclusive finance, the Bank has optimized its risk management systems and mechanisms. This approach enhances the proactive and forward-looking nature of risk control, ultimately refining the comprehensive risk control framework for inclusive finance and driving sustainable growth in the sector.

<p>Optimizing and adjusting risk management mechanism</p>	<ul style="list-style-type: none"> • We have strengthened the management mechanisms for risk reviewers, risk resolution and disposal, and risk monitoring officers, enhancing the professionalism of risk management in inclusive finance. By compacting the primary responsibility for risk resolution and disposal, we have continuously reinforced the comprehensive risk control across the entire process of inclusive finance operations.
<p>Strictly managing inclusive customer base and business access</p>	<ul style="list-style-type: none"> • We adhere to the principle of serving “genuine small and micro businesses,” intensifying our scrutiny of critical elements such as the authenticity of small and micro enterprise backgrounds, the reliability of their primary repayment sources, and the rationality of their financing needs. Through rigorous investigation, review, and cross-validation, we ensure strict management of loan fund usage. • We have enhanced the management of collateral selection and valuation, prudently controlling mortgage rates to improve our ability to mitigate risks effectively. • We leverage data from authoritative platforms, including the National Small and Medium-Sized Enterprise Fund Flow Credit Information Sharing Platform, Xin Yi Loan, and the Zhejiang Provincial Financial Comprehensive Service Platform. By strengthening data access and application, we refine our credit investment targeting and elevate our digital risk control capabilities.
<p>Strengthening applications of</p>	<ul style="list-style-type: none"> • We have established a robust risk signal and monitoring management system characterized by “full coverage,” “strong application,” and “sensitive response.” This

digital intelligence tools for risk control	system strengthens the identification, management, and monitoring of customer risks, as well as compliance with branch business access standards. It creates a synergistic interaction between digital risk prevention and control and manual risk identification, forming a comprehensive and integrated risk management framework.
Continuously optimizing post loan management	<ul style="list-style-type: none"> We adopt a “customer-centered” comprehensive management strategy, developing an upgraded version of the small enterprise follow-up inspection system. This system features customized post-loan management roles and personalized task-triggering rules, enhancing oversight of fund usage and risk signal management. These improvements create a precise post-loan “safety net,” ensuring comprehensive and targeted risk mitigation.
Conducting inspection and supervision	<ul style="list-style-type: none"> We conduct regular on-site and off-site inspections, as well as specialized audits, to proactively identify and address any violations or management shortcomings in branches. We issue timely risk warnings, notifications, or case studies to branches, urging them to implement effective measures to resolve key risk issues and prevent potential risks from escalating.

(IV) Metrics and targets

Key indicators	Management objectives	Progress in 2025
Proportion of inclusive SME loans to total loans of the Bank	The proportion of inclusive SME loans in the Bank’s total loan portfolio maintains a leading position among joint-stock banks.	As of the end of 2025, the Bank’s balance of key inclusive loans reached RMB 358.198 billion, representing over 20% of the Bank’s total loan portfolio.
Number of SME customers	Further consolidating the inclusive SME customer base, and continuously increasing the proportion of corporate customers.	As of the end of 2025, the Bank has served 46,400 inclusive SME customers, an increase of 3,717 compared to the start of the year. The balance of loans to corporate customers accounted for 56.73%, up by 5.58 percentage points compared to the start of the year.

II. Diversifying pension finance

With the accelerating pace of population aging, ensuring a sense of security and well-being for billions of elderly individuals has become a pressing societal concern. Under the national strategy for actively addressing aging, CZBank has strategically leveraged opportunities in pension finance, guided by policy directives and the needs of the people. By developing a comprehensive elderly care financial service system spanning the entire lifecycle, CZBank has crafted innovative solutions that exemplify professionalism and warmth, thereby setting a benchmark for high-quality development in the industry.

(I) Pension financial management structure

The Bank has strategically established a leadership group for the promotion of pension finance at the senior management level, led by senior executives, with main leaders of various departments and subsidiaries of the Head Office serving as members. Under this leadership group, a dedicated working group has been formed to oversee the coordination and advancement of related initiatives. This working group is responsible for leading the relevant departments of the head office to collaborate effectively, driving the implementation of various tasks, and regularly organizing meetings to communicate progress and align efforts. During the reporting period, the *Development Strategy and Implementation Outline of CZBank's Pension Finance* was issued, providing a clear roadmap for the future. This document outlines the guiding ideology, basic principles, goal vision, and 26 key tasks for the development of pension finance.

(II) Strategy for pension finance development

Guided by policy frameworks and a customer-centric approach, the Bank has implemented comprehensive upgrades to its products, services, and risk management systems. These efforts are aimed at deepening innovation in elderly care finance, refining elderly care service measures, and increasing support for the elderly care industry. The ultimate goal is to deliver warm, secure, and high-quality financial services to more elderly customers, thereby contributing significantly to the high-quality development of the local silver economy.

<p>Expanding elderly care financial service as the Third Pillar</p>	<ul style="list-style-type: none"> • We have developed a comprehensive personal pension service system, integrating both online and offline channels, to provide full lifecycle services including account opening and deposits, product investments, and benefit collection. Additionally, we have enhanced the mobile banking personal pension zone to improve user experience and introduced new functionalities, such as purchasing personal pension savings via electronic social security card channels, to enhance the convenience of business processing. Furthermore, we have established cooperative models with multiple insurance companies to serve as account banks, thereby enriching investment channels for personal pension products. • In the commercial pension sector, we have expanded our institutional cooperation network and continuously expanded our portfolio of commercial insurance annuities to address customers' diverse pension security needs and cross-period financial planning requirements. This year, we plan to launch three new commercial pension products to further strengthen our offerings in this area.
<p>Enhancing pension finance service</p>	<ul style="list-style-type: none"> • We have established the "Golden Life for Silver Haired to Enjoy" elderly care financial service brand, which features a diversified product matrix designed to ensure safety, profitability, and adaptability. By integrating professional financial products with heartwarming non-financial services, we aim to enhance the quality and efficiency of services tailored to our silver-haired customer base. Additionally, we have organized

	<p>specialized training programs for elderly care financial planning consultants and pension product experts to strengthen our professional capabilities in serving elderly customers. To further enrich our pension financial product system, we have strengthened strategic collaborations with pension product management institutions, including fund companies and wealth management companies. These partnerships have helped expand our product offerings and improve the management of wealth for elderly customers. As of the end of 2025, we have made available 50 pension fund products and introduced 20 exclusive wealth management products specifically designed for the Golden Life customer group (our silver-haired customer base).</p>
<p>Promoting the financial development in the elderly care industry</p>	<ul style="list-style-type: none"> • During the year, the Bank released the <i>Management Measures for Assertion of Elderly Care Industry Loans of CZBank</i>, defining the criteria for elderly care industry loan assertions. The measures prioritize the construction of elderly care service infrastructure and effectively address the credit financing needs of elderly care service organizations. • To enhance the professional capabilities in serving the elderly care industry, we conducted specialized financial training sessions. These sessions focused on interpreting the statistical system and various special policies related to the elderly care industry, thereby solidifying the foundation for sustainable business development.
<p>Case: Ningbo Branch provided financial support to the Silver Haired Economy</p> <p>Ningbo Yinian Elderly Care Service Co., Ltd. is an elderly care institution that originated from the transformation of early childhood education entrepreneurs. When the company faced financial pressures while expanding into new campus areas, CZBank Ningbo Branch conducted in-depth research and provided a credit loan of RMB 2 million in 2020. In 2022, to support the company’s cross-regional development, the bank introduced guarantee cooperation and reduced interest by RMB 56,000. In 2024, leveraging the financing coordination mechanism to support small and micro enterprises, the bank plans to alleviate the company’s working capital pressure and ensure its continuous and stable operations through online loan extensions without requiring repayment of the principal. With the sustained financial support from CZBank Ningbo Branch, Yinian Elderly Care has grown into a comprehensive service provider catering to nearly 10,000 elderly individuals both inside and outside hospitals. The company has also been recognized with the prestigious title of “Zhejiang Province Three-Star Elderly Care Institution.”</p>	



Figure: The Bank supports elderly care enterprises

Case: The Bank cooperates with schools to build “Silver Haired Home”

Faced with the trend of an aging population, CZBank Huzhou Branch signed a comprehensive cooperation agreement with Huzhou Elderly University in September 2025, launching the “Silver Haired Home” comprehensive service project. This initiative explores a new model of “elderly education + elderly finance,” encompassing the construction of smart campus platforms, point redemption systems, and online social functions. The project also organizes activities such as intangible cultural heritage experiences and cultural lectures, serving over a thousand elderly students. Additionally, the bank introduced exclusive co-branded cards featuring identity recognition and consumption discounts, with over 600 cards issued to date. In December 2025, the project received a positive evaluation from the Zhejiang Provincial Committee’s Retired Cadres Bureau, offering a practical example for the integrated development of the silver economy and pension finance.



Figure: CZBank Huzhou Branch releases exclusive student cards for Huzhou Elderly University

(III) Pension financial risk management

In response to the financial fraud risks faced by elderly customers, the Bank has implemented a multi-faceted approach to enhance their financial security. First, the Bank has strengthened its focus on remittance scenarios for the elderly, conducting emergency drills to prevent non-fraud incidents and building a “safe, convenient, and warm” elderly-friendly payment service system. Second, the Bank has enhanced risk control measures for the mobile banking channel by increasing risk control strategies for elderly customer transfers, thereby improving the security guarantee capability. Lastly, the Bank has expanded its efforts in promoting financial knowledge and consumer rights protection among the elderly. Financial anti-fraud and investment education

campaigns have been conducted in business outlets, communities, and elderly service organizations, effectively enhancing the risk prevention abilities of elderly customers.

(IV) Metrics and targets

The Bank continues to actively develop elderly care finance and empower the silver economy, achieving steady growth in key metrics. As of the end of 2025, the balance of elderly care industry loans reached RMB 1.039 billion, representing a significant increase as compared with last year. The Bank has also made significant progress in personal pension services, accumulating the opening of 303,900 personal pension fund accounts, an increase of 18,600 compared to the start of the year. Furthermore, the cumulative amount of personal pension contributions reached RMB 387 million, representing a growth of over 50% compared to the beginning of the year.

III. Supporting rural revitalization

CZBank has been closely focusing on the key areas and weaknesses of rural revitalization, continuously increasing its allocation of credit resources to agriculture, rural areas, and farmers. Adhering to the principles of controllable risks and sustainable business development, the Bank is guiding financial resources to continue, stabilize, and effectively support the growth of rural industries and rural construction, thereby injecting fresh financial vitality into the rural revitalization efforts.

(I) Rural revitalization work system

The Bank has established a comprehensive top-down rural revitalization work system, strengthening coordination and collaboration to ensure that rural revitalization initiatives are executed thoroughly, practically, meticulously, and effectively. Specifically, the Head Office's Risk Management Department is responsible for the formulation, revision, and implementation of relevant policies and systems. Meanwhile, the Corporate Banking Department, Small Enterprise Credit Center, and Retail Credit Department of the Head Office lead the marketing promotion and product innovation efforts for rural revitalization financial services across the bank's corporate, small enterprise, and retail lines, respectively.

(II) Increasing support for rural industries

The Bank has been consistently strengthening its credit policy guidance, prioritizing rural revitalization-related industries within its industry policy framework. By encouraging branches to allocate more credit resources toward these priority sectors, the Bank aims to increase overall credit support for rural revitalization industries. Additionally, the Bank emphasizes the importance of assessing and evaluating rural revitalization business performance through incentive mechanisms, including exclusive agricultural and inclusive agricultural credit plans, among other targeted measures.

To further advance its rural revitalization efforts, the Bank has set clear annual goals and key tasks, stepping up its allocation of agricultural resources. The Bank aligns the achievement of agricultural loans and inclusive agricultural loans targets with branch evaluations, while also strengthening oversight of branches' rural

revitalization work. To increase resource allocation, the Bank offers preferential transfer pricing for newly issued inclusive agricultural loans during the year. This approach ensures the sustainability and continuity of resource investments and incentive policies, supporting the Bank’s long-term commitment to rural revitalization.

Case: The "Zhe Ge Hao" brand empowers the homestay industry in Wushi Village

Wushi Village, a key rural tourism destination supported by the “Zhe Ge Hao” public brand list in Zhejiang Province, has received active engagement from CZBank Jinhua Pan’an Branch. The branch proactively connected with the directory management party and village committee to identify high-quality homestay operators. In response to the financing needs of “Donglixia Inn,” Jinhua Pan’an Subbranch moved beyond the traditional mortgage model and precisely matched it with the “Zhe Ge Hao” exclusive inclusive credit loan product. This resulted in the successful issuance of a RMB 1 million credit loan to Ms. Li, the operator, addressing the financial challenges of upgrading and renovating homestays. This initiative not only resolved the operator’s funding issues but also created a demonstration effect, inspiring subsequent credit support for multiple homestays, including “Qingrou Homestays.” This case has been widely recognized and reported by media outlets such as China Economic News Network.



Figure: One of the representatives of the homestay industry in Wushi Village, Qingrou Homestay

Case: Providing targeted support to build the county’s first IoT aquaculture demonstration base

CZBank Taizhou Sanmen Subbranch conducted in-depth research during the “Visiting Thousands of Households” activity to understand the actual needs of green crab farmers. Based on this research, the Subbranch issued a special loan of RMB 500,000 to Mr. Zheng, a local farmer, to support critical aspects of his farming operations, including the breeding sea area, breeding cycle, and crab fry investment. This loan enabled Mr. Zheng to successfully establish the first IoT breeding demonstration base in Sanmen County. By connecting intelligent sensors to mobile devices in real time, the base achieved intelligent management of the breeding process, resulting in a 20% increase in green crab yield per mu. Furthermore, the construction of the demonstration base has inspired more than 20 nearby farming households to boost their incomes, infusing new vitality into the local green crab farming industry and contributing to rural revitalization and shared prosperity.



Figure: CZBank helps build the first IoT aquaculture demonstration base in Sanmen County

(III) Risk and opportunity response

The Bank places continuous emphasis on strengthening risk management and control in key areas related to agriculture, rural areas, and farmers at the county level, thereby establishing a robust foundation for risk compliance in agricultural and rural businesses. By implementing targeted monitoring and mitigation strategies in key regions, industries, and customer segments, the Bank effectively manages and prevents risks in these critical areas. As of the end of 2025, the non-performing loan ratio for the Bank’s agricultural loans stood at 0.76%, reflecting a notable improvement of 0.21 percentage point compared to the previous year.

(IV) Metrics and targets

The Bank has thoroughly implemented the spirit of the Central Rural Work Conference and the Central Financial Work Conference, actively drawing lessons from the “Ten Million Project” experience. It has made proactive explorations into effective measures for financial support to rural revitalization, continuously increasing its allocation of credit resources in this field and promoting the steady growth of agricultural loans. By the end of 2025, the balance of the Bank’s agricultural loans reached RMB 175.30 billion³, up by 3.06% year-over-year; the balance of inclusive agricultural loans stood at RMB 48.169 billion, growing by 6.47%. Both figures demonstrate stable growth.

IV. Enhancing cross-border services

CZBank has strategically aligned its development with the national framework of opening-up, actively engaging in major national initiatives such as the “Belt and Road” initiative and the construction of free trade zones. By building diversified platforms and driving innovation in product and service models, the Bank offers a comprehensive suite of solutions for enterprises, including payment settlement, trade financing, and exchange rate risk management. It consistently provides cross-cycle, high-quality cross-border financial

³Since 2025, the Bank has been counting its agricultural loans in accordance with the revised statistical standard issued in the *Notice of the Investigation and Statistics Department of the People’s Bank of China on the Revised Content of Financial Statistics for Financial Institutions in 2024* (Yin Diao Fa [2024] No. 2). All relevant comparative figures have also been adjusted to align with the new standard.

support to both “going global” enterprises and foreign enterprises operating in China, actively contributing to the new pattern of high-level opening-up through the strength of finance.

(I) Serving the Belt and Road Initiative

CZBank aligns its strategy with the “Belt and Road” initiative, deeply identifying key scenarios and pain points for cross-border operations of “going out” enterprises. By leveraging digital technology applications, the Bank continuously expands its tailored financial services along the “Belt and Road” corridor and innovatively builds an integrated onshore-offshore service system driven by a dual platform featuring "Hong Kong Branch+Free Trade Zone FTU". This enables it to deliver more professional, digital, diversified, and sustainable financial products and services to Chinese enterprises participating in “Belt and Road” construction. Through its comprehensive cross-border financial services, which integrate onshore and offshore, local and foreign currency, and domestic and foreign trade across the entire lifecycle, CZBank supports enterprises in achieving seamless and high-quality participation in global markets.

Case: "Railway Freight Loan" injects new momentum into the logistics finance for the Belt and Road Initiative

In April 2025, the inaugural China-Europe railway logistics and financial services special train, X8489, departed from Xi’an International Port, embarking on a journey westward to Hamburg, Germany. Laden with mechanical equipment, LED lighting, and other goods, this train serves not only as a vital conduit for international trade but also as a pioneering initiative in advancing the logistics and financial integration of the Belt and Road Initiative. Spanning a total distance of 10,800 kilometers, the X8489 route operates with a transportation duration of approximately 14-18 days. During transit, logistics companies face financial pressures such as cost settlement and salary distribution for their goods. To address the challenges posed by lengthy transportation cycles and delayed fund recovery inherent to China-Europe freight trains, CZBank Xi’an Branch, in collaboration with Xi’an Railway Bureau, successfully executed the first “railway freight loan” transaction for a company. This innovative solution effectively alleviated the financial settlement pressures associated with China-Europe freight trains for enterprises, marking a significant milestone in enhancing the efficiency and sustainability of cross-border logistics under the Belt and Road framework.

“The freight loan of RMB 150 million from CZBank has effectively alleviated the settlement pressure for the China-Europe freight trains.”

——The head of the marketing department of the company

(II) Smoothing cross-border payment and settlement

The Bank proactively implements the national *Measures on Promoting Stable Growth of Foreign Trade* by optimizing cross-border payment and settlement systems, supporting new business models, and assisting going-global enterprises in enhancing their global competitiveness. Recognizing the challenges faced by businesses exploring emerging markets such as ASEAN, the Middle East, and Africa under the Belt and Road

Initiative—such as slow foreign exchange collection, high intermediary fees, and difficulties in collecting small currencies—the Bank has expanded domestic and foreign cooperation channels and introduced innovative services like “One Home Currency vs Hundred Foreign Currencies,” Global Collection, and Cross border Easy Collection to improve collection efficiency and reduce costs. In 2025, the Bank facilitated nearly USD500 billion in international settlement services for foreign trade-related entities.

Case: The "Yongjin Global Collection" service solves the cross-border collection problem

Zhejiang Adeco Home & Living Co., Ltd. encountered challenges such as prolonged payment cycles, lack of transparency in processes, and excessive deductions when expanding into overseas markets like the United States, which impacted its capital turnover efficiency. Upon identifying these payment-related pain points, the financial advisory team of CZBank conducted a professional analysis and recommended utilizing the “Yongjin Global Collection” service, enabling swift and full payment in currencies such as US dollars and euros. Ultimately, this solution successfully enhanced the company’s fund collection efficiency and reduced costs.

(III) Increasing cross-border financing support

The Bank attentively addresses the real-world challenges and difficulties encountered by enterprises in their cross-border development, offering a comprehensive suite of cross-border financing solutions tailored to various stages of enterprise operations, including production, logistics, and trade. These solutions encompass a wide range of services such as cross-border guarantees, cross-border asset pools, cross-border fund pools, international syndicated loans, and cross-border mergers and acquisitions, delivering precise financial support to empower enterprises in their global expansion and seamlessly integrating the financial resources of domestic and foreign subsidiaries within group customers. This approach facilitates a dual circulation model, enabling enterprises to optimize the utilization of both domestic and foreign assets and funds through the most efficient and cost-effective channels. In 2025, the Bank successfully disbursed over RMB 250 billion in international business financing.

Case: Increasing cross-border financing support for “Go-global” enterprises

Altenergy Power System Inc. is a high-tech enterprise dedicated to the research, development, manufacturing, and sales of component-level power and electronic equipment used in distributed photovoltaic power generation systems. With the establishment of multiple subsidiaries in key markets such as the United States and France, the company requires continuous capital investment to expand its overseas operations. However, due to the short establishment time and limited credit accumulation of its overseas subsidiaries, obtaining local financing has proven challenging. In response, CZBank introduced a “cross-border asset pool” financial solution, successfully providing RMB 38 million in financing support to APsystem’s overseas subsidiaries by integrating the management of domestic and foreign assets and credit lines. This solution not only optimized the group’s fund allocation but also significantly reduced financial costs and improved the efficiency of fund utilization.



Figure: Altenergy Power System Inc.

(IV) Assisting in mitigating exchange rate risks

The Bank prioritizes serving the real economy as the cornerstone of its exchange rate hedging business, continuously enhancing the quality and efficiency of its risk management services to help foreign trade-related enterprises thrive in the dynamic environment of two-way RMB exchange rate fluctuations. The Bank introduced the “CZBank Global Trade Facilitator,” an innovative online foreign exchange trading platform featuring real-time transactions, a diverse product range, extended operating hours, and value-added services such as 24/7 global financial information, daily research reports, and the “CZBank Data Protection” exchange rate hedging special credit line. This platform enables enterprises to complete exchange rate hedging transactions entirely online, streamlining their processes.

Simultaneously, the Bank actively responded to the directives of the Zhejiang Provincial Government and regulatory authorities by vigorously implementing fee reduction policies. In June 2025, it successfully launched the first-of-its-kind “Derivative Business Guarantee and Credit Enhancement” pilot program on a cross-border financial service platform in China, significantly lowering the barriers and costs of exchange rate hedging for SMEs. Additionally, the Bank expanded its exchange rate hedging offerings under Zhejiang Province’s government financing guarantees and foreign trade enterprise purchase option subsidies, reducing transaction costs for businesses through full discounts on transaction exchange rates and option fee subsidies. In 2025, CZBank provided nearly USD 190 billion in exchange rate hedging services to foreign trade-related enterprises, showcasing its commitment to fostering economic stability and growth.

Case: CZBank Nanchang Branch supports clients’ globalization journey with professional financial strength

After going public, an electronic copper foil enterprise in Jiujiang, Jiangxi actively expanded into overseas markets but encountered financing challenges due to exchange rate fluctuations. To address this, the international business team of CZBank Nanchang Branch implemented a dedicated “monthly door-to-door” service mechanism, gradually guiding the enterprise in establishing a scientific exchange rate risk management system. By leveraging the free trade account (FT account) system, the branch facilitated efficient connections and streamlined management of domestic and foreign funds. Additionally, through strategic use of cross-border asset pooling, the branch flexibly transferred domestic credit lines to overseas subsidiaries, effectively resolving the pain points of costly and difficult overseas financing. This approach provided the enterprise with stable and sufficient financial backing for the

construction of its overseas production lines.

Case: Providing financial assistance to help enterprises go global

Rensin Chemicals Limited has been deeply engaged in the international trade of chemical raw materials for many years, with a global market presence spanning over 60 countries and regions. Given the significant impact of exchange rate fluctuations on their extensive export operations, CZBank has provided professional exchange rate hedging solutions, including customized strategies for forwards, swaps, options, and other products. Additionally, CZBank introduced the “CZBank Global Trade Facilitator,” offering 5×24-hour online services, commissioned orders, and night trading functionalities to help Rensin adapt swiftly to market changes. Since 2025, the Bank has successfully assisted Rensin in securing an average foreign exchange settlement price that exceeds the cost of their export orders, thereby safeguarding the company’s export profitability.



Figure: Rensin Chemicals Limited having in-depth communication with international clients

Chapter III Environment



I. Addressing climate change

With the continuous evolution of global climate patterns, climate risks—such as extreme weather events, frequent natural disasters, and volatile energy prices—are increasingly threatening the global ecosystem, human society, and the stability of financial institutions like banks. In response, CZBank has taken proactive measures to align with national carbon peak and carbon neutrality goals. The Bank has conducted comprehensive climate risk stress testing to assess the potential impacts of climate change on its operations and financial health. By actively seizing opportunities for the green transformation of the real economy, CZBank has built a diversified portfolio of green assets. Collaborating closely with physical enterprises, the Bank is working to address global climate challenges while enhancing its own credit quality and financial stability. These efforts not only contribute to the Bank’s sustainable development but also play a vital role in driving the green economic transformation and fostering long-term environmental sustainability.

(I) Climate-related governance

The Bank has integrated ESG risk and climate risk into its comprehensive risk management framework and has continuously strengthened its ESG risk and climate risk management practices. The Board of Directors holds ultimate responsibility for the Bank’s comprehensive risk management and oversees a Risk and Related Party Transaction Control Committee. Senior management is tasked with organizing the Bank’s ESG risk and climate risk management initiatives, developing relevant strategies, and establishing a “Green Finance Committee” to provide regular updates to the Board. Each department at the head office actively implements related initiatives. In 2025, during its fourth meeting of the seventh session of the Board of Directors, the Bank reviewed and approved the *2024 Report on the Implementation of Green Finance Work*, and also examined the content related to climate risk management, including climate stress testing.

(II) Climate related risks and opportunities

The Bank places high priority on climate-related risks and embraces green and low-carbon development as a core principle. To effectively address these challenges, the Bank has established a comprehensive mechanism for the identification, assessment, and control of climate risks. This mechanism enables the Bank to proactively identify the opportunities and risks associated with climate change, evaluate the actual and potential impacts of climate-related issues on its business operations, strategic planning, and financial condition, as well as on traditional financial risks such as credit and liquidity risk. By assessing the scope, timing, and severity of these impacts, the Bank is able to develop targeted measures to effectively manage and mitigate these risks.

1. Physical risk

Risk category	Risk description	Risk impact description	Potential financial impact	Duration
Risk of extreme weather conditions	Increased operating costs of the Bank due to extreme weather events; Or extreme weather events may cause borrowers or counterparties to fail to fulfill their obligations under agreed conditions, resulting in losses to the Bank.	In recent years, the increasing frequency of severe weather events worldwide has caused significant disruptions to the Bank's operations, resulting in damage to facilities, business interruptions, loss of collateral, and interference with our customers' normal activities.	Increased operating costs; Revenue decrease due to loan not being fully recovered	Short, medium, and long-term
Long-term climate risk	Increase in the Bank's operating costs due to long-term climate change	Global warming and rising sea levels could result in water and electricity shortages, abnormal temperature increases, and fires, which may lead to higher energy consumption for the Bank, disrupt its office premises and operating outlets, and compromise the safety and well-being of employees, thereby affecting the Bank's normal operational activities.	Increase in operating costs	Long-term

2. Transition risk

Risk category	Risk description	Risk impact description	Potential financial impact	Duration
Credit risk	The Bank incurred losses due to the borrower or counterparty's failure to meet obligations under the agreed terms.	Climate change may result in deteriorating business performance, reduced profitability, asset depreciation, or collateral damage. These factors, along with the borrower's inability to adapt to policy, regulatory, or technological changes, can impact long-term viability of the borrower. This may result in debt	Loans cannot be fully recovered, revenue of the Bank decreases and costs increase	Medium to Long Term

		defaults, shifts in credit quality, or financial losses for the Bank.		
Liquidity Risk	Due to the inability to secure adequate funding at a reasonable cost in a timely manner, the Bank faces challenges in repaying maturing liabilities, fulfilling other payment obligations, and addressing funding requirements for normal business operations.	Extreme weather events may negatively impact borrowers' financial stability, impairing the timely recovery of loan proceeds or significantly increasing deposit-related expenses. This creates a substantial funding shortfall, preventing the Bank from securing sufficient resources to meet its obligations, including repaying maturing liabilities and supporting normal operations. Consequently, this situation may escalate into a broader market-wide liquidity shortage.	Loans cannot be recovered in normal terms, deposits flow out significantly, and the funding gap widens	Medium to Long Term
Reputation Risk	Negative evaluations of the Bank, arising from its own actions, employee conduct, or external events, can harm the Bank's brand value, disrupt its normal operations, and even have broader implications for market and social stability.	As public awareness of climate change and environmental protection grows, if the Bank engages in activities that directly or indirectly contribute to environmental degradation or fails to adequately manage ESG risks during business development, it may face negative scrutiny and incur reputation risks.	Reduced demand for products and services, which in turn affects revenue, stock price valuation, etc	Short, medium, and long-term
Information technology risk	During the financial institution's green transformation and the ongoing digitalization efforts, the increasing adoption of online and intelligent operations has led to a sharp rise in cybersecurity risks, including data breaches, system failures, data loss or damage, ransomware attacks,	These risks can disrupt the operation of information systems, leading to abnormal business transactions, system shutdowns, or service interruptions. They also threaten customer funds and information security, potentially resulting in customer complaints, negative public opinion, financial losses for banking institutions and their clients, regulatory penalties, reputational damage, and long-term	Increase in operation and maintenance (including security and protection and risk control) costs and research and development costs	Medium to Long Term

	and hacker intrusions. Additionally, the integration of emerging technologies such as LLM models in the digital transformation process introduces risks related to incomplete maturity and unpredictable security vulnerabilities.	challenges in IT governance and the quality of digital transformation.		
Strategy Risk	Risks arising from poorly designed business strategies or shifts in the external business environment include flawed strategic planning, ineffective execution, and internal or external environmental changes rendering existing strategies outdated and ineffective.	The adoption of the “dual carbon” strategy may significantly impact commercial banks’ business models, customer operations, and revenue streams. Failing to promptly adjust the development strategy to align with these changes may result in associated risks.	Reduced revenue from traditional businesses and slow growth in revenue from emerging businesses, resulting in revenue pressure	Medium to Long Term

3. Opportunities

Opportunity category	Opportunity description	Potential financial impacts	Duration
Transformation opportunities	The economic and social transition toward green and low-carbon practices is driving the widespread adoption of new energy sources, the rapid development of new quality productive forces, and the transformation of production and lifestyles into more sustainable models. Simultaneously, the continuous improvement of digital capabilities is further supporting these efforts. Financial institutions are actively implementing their own green transformations, adopting eco-friendly operational practices, green offices, minimizing resource consumption, and enhancing their climate resilience and response capacity.	Drive cost reduction	long-term
Market opportunities	The goals of carbon peaking and carbon neutrality encompass numerous sectors of the national economy, necessitating	Promote revenue growth	long-term

	unprecedented levels of capital investment across industries to achieve these objectives. These financial requirements present significant opportunities for financial institutions to play a pivotal role in supporting the transition.		
Opportunities for product and service innovation	Following years of green finance transformation and development, as well as the exemplary demonstration of green finance reform pilot zones, China’s green finance product and service system has gradually expanded and diversified. Financial institutions are continuously adapting to these changes, accelerating the optimization of their business processes, strengthening risk management mechanisms, and actively fostering innovation in green finance products and services.	Expand revenue sources and profitability	long-term

4. Climate stress testing and resilience assessment

The Bank regularly performs climate risk stress tests to evaluate its capacity to manage climate risks. In 2025, the Bank conducted climate risk sensitivity pressure testing, focusing on eight carbon-intensive industries, including electricity, steel, building materials, non-ferrous metals, aviation, petrochemicals, chemicals, and papermaking. The Bank utilized carbon price changes observed in the domestic carbon emissions trading market and carbon price scenarios outlined by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) to establish three pressure scenarios: mild, moderate, and severe. Using the end of 2024 as the baseline and extending the testing period until 2030, the Bank assessed the potential changes in loan quality and capital adequacy ratios for its high-carbon industry clients under the climate transition risk scenarios. The stress test results revealed that if carbon-intensive industry clients fail to undergo low-carbon transformation, their repayment capacity would decline to varying degrees under the stress scenarios. Consequently, the default probability and non-performing loan rate for the carbon-intensive industry would gradually increase. However, the overall risk remains manageable due to the relatively low proportion of carbon-intensive industry loans in the Bank’s portfolio. By the end of 2030, under mild, moderate, and severe stress scenarios, the Bank’s capital adequacy ratio indicators remain compliant with regulatory requirements.

(III) Climate risk management process

The Bank actively monitors the impact of climate risks, continuously advancing the integration of ESG risks and climate risks into its comprehensive risk management system. It proactively conducts assessments of the risks and opportunities associated with climate change and implements risk control measures throughout the entire credit business process.

Strategic level	The Bank embeds the “dual carbon” goals into its core strategy, integrating green finance and climate change initiatives into its long-term development plan. It refines and updates credit policies, implements quota management for high-emission industries, and actively responds to the challenges of achieving low-carbon transitions. The Bank also explores innovative approaches to
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	managing climate-related risks, conducting scenario analysis and stress testing on an industry-by-industry basis to prudently address climate risks. Furthermore, it participates in pilot programs for transition finance and climate investment, providing comprehensive support for the green and low-carbon transformation of economic and social development.
Business model	To strengthen its green finance capabilities, the Bank has developed a diversified service system encompassing green credit, bonds, and investments. It has pioneered innovative models such as “ESG loans + insurance” and “interest rates linked to carbon intensity,” and introduced products like green supply chain financing and transition finance loans. The Bank integrates climate risk factors into the entire credit process, from admission to approval and monitoring, and increases its support for the development of green, low-carbon, and circular economies.
Resource allocation	The Bank continuously improves its incentive and constraint mechanisms, clarifying guidelines for due diligence and exemption. Through differentiated performance evaluations, resource allocation, and special reward programs, it directs financial and credit resources toward green fields, further boosting support for low-carbon development. Additionally, the Bank strengthens training on climate change response and climate investment, guiding staff to enhance their awareness of climate risks and fostering greater climate resilience across the organization.

(IV) Metrics and targets

Key indicators	Management objectives	Progress in 2025
Carbon emissions from the Bank’s own operations	The Bank has established the following overall objectives in the <i>Notice on Clarifying Relevant Matters Related to Transition Finance</i> : achieve carbon peaking in its own operations by 2030; and attain carbon neutrality in its own operations by 2060.	In 2025, carbon emissions from the Bank's own operation reached 56,231.50 tons CO ₂ equivalent.

II. Diversifying green finance offerings

The Bank attaches great importance to the development of green finance business, constantly improves the green finance system, makes great efforts to effectively steer financial resources to green and low-carbon businesses, optimizes the capital supply structure, takes down-to-earth actions to boost green finance and drive the green and low-carbon transformation of the economy and society.

(I) Green finance management structure

In 2025, the Bank updated and released the CZBank Green Finance Development Strategy and Implementation Outline, and issued the CZBank Implementation Plan for High-Quality Green Finance Development, aiming to enhance the green finance management framework, clarify the green finance development strategy, medium- and long-term goals, short-term objectives, and key action plans, thereby

driving the high-quality development of green finance. Additionally, in 2025, the Bank developed the Notice on Clarifying Relevant Matters Related to Transition Finance, which defined the overall objectives, organizational structure, and implementation requirements for the Bank’s transition finance initiatives.

Board of directors	The Board of Directors is responsible for determining the overall green finance development strategy of the Bank, approving the green finance development goals formulated by senior management, and submitting relevant reports. It also supervises and evaluates the implementation of green finance development strategies. The Strategy and Sustainability Committee under the Board oversees the implementation and compliance of green finance strategies, sets green finance-related issues, convenes meetings related to green finance, and forms relevant resolutions. The Audit Committee of the Board audits the implementation of green finance policies and the risk management of ESG matters at the branch level, through third-party audits and internal reviews.
Senior management	The Bank has established a Green Finance Committee, with the Head Office President serving as the Director and other members of the Head Office’s management team serving as Deputy Directors. The Committee is responsible for implementing the green finance development strategy approved by the Board of Directors and making decisions on the goals, mechanisms, processes, and major issues related to green finance work.
Execution layer	The Office of the Green Finance Committee comprises four working groups: the Green Finance Policy Research and System Construction Group, the Customer Marketing and Business Promotion Group, the Brand Building and Image Enhancement Group, and the Self-Performance Management and Transformation Group. The Head Office collaborates with multiple departments to fully promote the implementation of various key tasks.

(II) Green finance development strategy

CZBank has established a clear strategic direction for green and low-carbon development, focusing on key areas such as industrial structure optimization and upgrading, as well as the low-carbon transformation of the energy system. The Bank has been deepening its green finance business and steadily consolidating its green finance customer base. By concentrating on fields such as transition finance, environmental equity pledges, carbon finance, and green factories, the Bank has been actively conducting product research and development innovation. This effort has led to the creation of a “Green+” diversified product and service system, encompassing green credit, green bonds, green bills, green leases, green supply chains, and green consumption. This system fully meets the differentiated financial needs of green industries and low-carbon transitioning entities. In recent years, the Bank’s green loans have maintained stable growth, with a growth rate exceeding that of various other loans.

Case: Exploring the green finance strategic cooperation model of "Government+Bank+Enterprise"

CZBank Suzhou Branch actively explores the integration and development of green financial product innovation with regional economic characteristics. To support the construction of the green finance innovation and reform pilot zone in the Kunshan High-Tech Zone, the Bank has established a Kunshan Financial Consulting Studio in the area and signed a green finance strategic cooperation agreement with Bestlink Technologies Co., Ltd., an ESG comprehensive service enterprise. This collaboration aims to jointly provide sustainable, comprehensive service support to the government and enterprises in the region, forming a “Government + Bank + Enterprise” green finance strategic cooperation model. As of the end of 2025, Suzhou Kunshan Subbranch has issued RMB 100 million in supply chain finance – scenario-based certificates/bills and successfully acquired 4 new high-quality customers under this model.



Figure: Establishment ceremony of the Green, Low Carbon and ESG Service Alliance

1. Credit policies for key industries

<p>Fertilizer industry, under agriculture</p>	<ul style="list-style-type: none"> • Credit Policy: Credit Policy of CZBank for the Fertilizer Industry • Applicable Scope: Corporate loans, investment banking, and other investment and financing businesses within the fertilizer industry. • Applicable Clients: Fertilizer production enterprises, as well as their upstream and downstream customers involved in the supply chain. • General Principle: The policy emphasizes prioritizing support, customer and project segmentation, and strict risk control. • Priority Support Areas: Enterprises with strong industry monopoly capabilities in niche markets; phosphate fertilizer and compound fertilizer producers with access to high-quality phosphate ore reserves; leading manufacturers of high-quality urea and comprehensive fertilizers, characterized by large production and sales scales, low production costs, and strong operational resilience; projects involving capacity expansion, technological upgrades, and equipment modernization for potassium fertilizer producers, as well as initiatives by phosphate and compound fertilizer manufacturers with high-quality phosphate ore resources and stable operations; new and expanded production capacity projects for high-quality large-scale urea and
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	<p>comprehensive fertilizer producers, including production technology upgrades, energy-saving and carbon-reduction transformations, and equipment modernization efforts.</p> <ul style="list-style-type: none"> • Prohibited Projects: Projects that are explicitly limited, eliminated, or prohibited by relevant policy documents.
Power Supply industry	<p>The Bank provides strong support for the construction and renovation of transmission and distribution power grids designed to facilitate the efficient use of locally generated renewable energy.</p> <ul style="list-style-type: none"> • Credit Policy: Credit Policy of CZBank for the Power Supply Industry • Scope of Application: Investment and financing activities, including corporate loans and investment banking services, within the power supply sector. • Applicable Clients: Power supply enterprises. • General Principle: The policy emphasizes priority support. • Priority Support Projects: CZBank prioritizes funding for the following projects: <p>Renovation and construction projects for the main network and main branch lines of the West-to-East Power Transmission, provided they comply with national and regional development plans. New energy grid connection and expansion construction projects aimed at on-site utilization of renewable energy. Distributed new energy grid connection projects, as well as distributed smart grid (smart microgrid) technology promotion and application demonstration projects. Renewable energy local area network construction projects in areas not covered by the National Grid. Construction projects related to the development of flexible power grids and the application of flexible DC technology in the field of offshore wind power.</p> <ul style="list-style-type: none"> • Prohibited Projects: Projects that do not comply with national or regional industrial policies and plans, fail to pass ecological impact assessments, or do not meet national green environmental protection standards are strictly prohibited under this policy.
Photovoltaic industry	<ul style="list-style-type: none"> • Credit Policy: CZBank’s Photovoltaic Industry Chain Credit Policy (2025 Edition) • Applicable Scope: Investment and financing activities, including corporate loans and investment banking, and other related businesses. • Applicable Clients: Solar energy equipment manufacturing enterprises and power generation companies operating within the photovoltaic industry chain. • General Principle: The policy follows the principle of stable cooperation. • Priority Support Areas: Enterprises and projects that align with the national “dual carbon” strategy in the photovoltaic industry chain, particularly the following: Leading enterprises in the photovoltaic industry chain and new photovoltaic projects in provinces with green energy advantages, characterized by high annual utilization hours and internal rates of return. Collaborative demonstration projects for photovoltaic storage and charging. Demonstration

	<p>projects for photovoltaic storage and hydrogen production.</p> <ul style="list-style-type: none"> • Prohibited Fields: Photovoltaic enterprises that exhibit the following characteristics: Weak financial strength; Outdated technological level; and Energy consumption levels that do not meet national standards.
Coal and Coal Chemical industry	<ul style="list-style-type: none"> • Credit Policy: Credit Policy of CZBank for the Coal and Coal Chemical Industry • Scope of Application: Investment and financing activities, including corporate loans and investment banking services, within the coal and coal chemical industry. • Applicable Clients: Industries such as coal mining and washing, and coal processing. • General Principle: The policy adheres to the principles of stable cooperation and list-based management. • Priority Support: Large modern coal mine projects located in regions with favorable resource conditions and compliant with national and regional development plans. Coal supply base construction projects and related supporting facility construction projects that align with national policy support and guidance. Greenfield projects with a high degree of greening, including green mining initiatives. • Prohibited Projects: Coal and coal chemical projects that fall under the restricted or eliminated categories of the Guiding Catalogue for Industrial Structure Adjustment, fail to pass ecological impact assessments, or do not meet national standards for green environmental protection.
Natural gas industry	<p>The Bank fully recognizes and communicates to the entire Bank the critical role of natural gas in achieving China’s “dual carbon” strategic goals. It requests an increased focus on asset investment in the natural gas industry chain and prioritizes supporting the development of the natural gas industry.</p> <ul style="list-style-type: none"> • Credit Policy: CZBank’s Credit Policy for the Natural Gas Industry • Scope of Application: Investment and financing activities, including corporate loans and investment banking services, within the natural gas industry. • Applicable Clients: Enterprises engaged in the fields of natural gas production and supply. • General Principle: The policy follows the principle of priority support. • Priority Support: Natural gas pipeline network construction, renovation, and expansion projects that comply with national and regional development plans. Construction, renovation, and expansion projects of gas storage facilities and LNG receiving stations. Eligible industrial gas replacing coal engineering projects and shale gas development projects. • Prohibited Projects: Projects that fall under the restricted or eliminated categories of the Guiding Catalogue for Industrial Structure Adjustment or the restricted or prohibited categories of the Natural Gas Utilization Policy. Additionally, projects that have not passed ecological impact assessments or do not meet national standards for green environmental protection are excluded from support.

<p>Industry wastewater treatment</p>	<p>The Bank fully recognizes the crucial role of wastewater treatment in advancing green development and safeguarding biodiversity, and prioritizes supporting the industry through wastewater treatment initiatives while actively implementing the requirements of green finance.</p> <ul style="list-style-type: none"> • Credit Policy: CZBank’s Credit Policy for the Wastewater Treatment Industry • Scope of Application: Investment and financing activities, including corporate loans and investment banking services, within the wastewater treatment industry. • Applicable Clients: Enterprises engaged in sewage treatment. • General Principle: The policy follows the principle of priority support. • Priority Support: Provincial water service groups, water service providers in provincial capitals, state-designated cities, and prefecture-level cities in economically developed regions; high-quality cross-regional sewage treatment companies with strong overall capabilities and extensive service areas; high-quality sewage treatment enterprises serving large industrial parks; municipal sewage treatment projects at or above the prefecture level with low dependency on government grants and strong cash flow; and industrial wastewater treatment projects for large-scale industrial parks, high-tech industrial development zones, and other stable, well-established parks. • Projects Requiring Prudent Review Before Support: Sewage treatment enterprises where upstream industrial enterprises have poor customer quality or low operational management and technical levels. Enterprises with a high proportion of accounts receivable, high debt ratios, or weak profitability. Municipal sewage treatment projects with poor cash flow. Industrial wastewater treatment projects where upstream enterprises or industrial parks have poor management, insufficient, or declining numbers of enterprises in the park.
<p>Domestic waste treatment industry</p>	<p>The Bank fully recognizes the vital role of domestic waste treatment in promoting green development and protecting biodiversity, and prioritizes supporting the industry through domestic waste treatment initiatives while actively fulfilling the requirements of green finance.</p> <ul style="list-style-type: none"> • Credit Policy: CZBank’s Credit Policy for the Domestic Waste Treatment Industry • Scope of Application: Investment and financing activities, including corporate loans and investment banking services, within the domestic waste treatment industry. • Applicable Clients: Domestic waste incineration enterprises. • General Principle: The policy follows the principle of priority support. • Priority Support: National waste incineration enterprises ranked in the top ten in terms of market share based on waste incineration volume. Regional high-quality waste incineration enterprises with strong comprehensive capabilities and profitability. Projects in prefecture-level cities and above that are included in the local medium- and long-term development plan for waste incineration, with a designed daily waste treatment capacity of 600 tons (inclusive) or more,

expected stable electricity supply and waste treatment income, as well as other comprehensive income, and strong profitability.

- Projects Requiring Prudent Review Before Support: Enterprises or projects with unstable overall cash flow or a high proportion of accounts receivable. Projects not included in the local long-term development plan for waste incineration. Projects with poor economic viability, expected overcapacity, or low utilization rates.

Case: Adhering to the national "dual carbon" goals and supporting the development of the hydrogen energy industry

Inner Mongolia SYQN Company, a subsidiary of a local state-owned energy group, specializes in the research and application of efficient and environmentally friendly hydrogen energy technologies. CZBank has established a credit cooperation with the company, focusing on the hydrogen production industry. This collaboration integrates wind and solar power generation with electrolytic water hydrogen production, thereby enhancing resource utilization efficiency. Once operational, the wind farm is projected to supply approximately 320 million kilowatt-hours annually. Onshore photovoltaics are expected to generate an average of 15.92 million kilowatt-hours per year, while floating photovoltaics are anticipated to produce around 70.62 million kilowatt-hours annually. In 2023, the project was selected as part of an integrated demonstration initiative for wind, solar, and hydrogen production, meeting the necessary implementation criteria. By the end of 2025, CZBank had issued loans totaling RMB 52.7 million, marking the first “wind and solar hydrogen production industry” fixed asset loan extended by the Bank.

2. Green credit

During the reporting period, the Bank intensified its support for green credit, releasing the *Notice on Clarifying the Development Goals of Green Finance Business in 2025*. The Bank expanded its range of green finance products and services, actively addressing the green financing needs of enterprises and assisting customers in embracing the green trend. On one hand, the Bank enhanced credit guidance by incorporating green and low-carbon basic industries into its core credit policies as “priority support sectors.” Additionally, it developed specialized credit policies targeting key green industries. On the other hand, the Bank optimized resource allocation, prioritizing support for green industry chains, sustainable development initiatives, and “dual carbon” financial projects. To further incentivize green investments, the Bank established performance evaluation and incentive mechanisms, encouraging branches to actively engage in green and low-carbon sectors such as energy conservation and carbon reduction, environmental protection, resource recycling, and the green and low-carbon transformation of energy. These efforts aim to support sustainable development of society. As of the end of 2025, the Bank’s green loan balance⁴ reached RMB 256.835 billion, an increase of

4. Since 2025, the Bank’s green loans have been calculated based on the new statistical criteria outlined in the Notice of the Investigation and Statistics Department of the PBOC on Adjusting the Special Statistical Content of Green Loans (Yin Diao Fa [2025] No. 7). Correspondingly, all relevant comparative data has also been computed according to these updated standards.

RMB 19.045 billion compared to the beginning of the year, reflecting a growth rate of 8.01%. This growth exceeded the overall loan growth rate.

Indicator	Unit	2025
Green loan balance (domestic and foreign)	RMB 100 million	2,568.35
Loan balance for energy-saving and carbon reduction industries	RMB 100 million	214.80
Loan balance for environmental protection industry	RMB 100 million	140.07
Loan balance for resource recycling industry	RMB 100 million	183.88
Loan balance for green and low-carbon energy transformation	RMB 100 million	131.54
Loan balance for ecological protection, restoration and utilization	RMB 100 million	165.17
Loan balance for green upgrade of infrastructure	RMB 100 million	1,544.05
Green service loans	RMB 100 million	20.69
Green trade loans	RMB 100 million	114.96
Green consumer loans	RMB 100 million	53.19
Overseas green loans	RMB 100 million	26.92

Case: Empowering new energy vehicle leaders and jointly drawing a green development blueprint

CZBank Shenzhen Branch proactively implements the national “dual carbon” strategy, focusing on supporting the green transformation of the real economy. It designates BYD Auto Industry Co., Ltd., a leading enterprise in the industry, as a strategic partner and provides tailored financial solutions through a variety of products to meet the company’s specific needs. In response to the operational characteristics of BYD and its upstream industrial chain, Shenzhen Branch flexibly employs financial tools such as domestic letters of credit, achieving cumulative loan disbursements of nearly RMB 2 billion in related businesses. This has effectively supported BYD’s research and development, production, and supply chain optimization. Through this green credit initiative, the branch not only aids BYD in strengthening its new energy vehicle technology R&D and large-scale production capabilities but also drives the comprehensive low-carbon upgrading of its industrial chain, contributing to sustainable development.

Zhejiang Province is one of the first regions in China to establish green finance reform and innovation pilot zones. Leveraging the geographical advantages of Huzhou and Quzhou, which are designated as national green finance reform and innovation pilot zones, the Bank has firmly anchored its efforts toward achieving the “dual carbon” goals. By actively innovating green finance products and service models, the Bank has expanded its support for green, low-carbon, and circular economic activities. As of the end of 2025, the scale of green loans in Zhejiang Province reached RMB 105.142 billion, a growth rate of 5.10%. Simultaneously, the Bank has actively supported the pilot program for climate investment and financing projects in Lishui City,

guiding and promoting greater investment in climate-resilient projects and fostering more sustainable financing activities to address climate change.

Case: CZBank Lishui Branch serves climate investment and financing projects

In the second batch of climate investment and financing projects in Lishui City, an enterprise was successfully selected for its technical transformation project aimed at producing 16,000 tons of high-performance leather base fabric and 65,000 tons of functional leather base fabric annually. The project seeks to achieve self-sufficiency and green production of key raw materials by constructing an independent DTY silk production line, thereby effectively reducing energy consumption and carbon emissions. To address the challenges of high funding demand and lengthy project cycles, the financial advisory team from CZBank Lishui Songyang Subbranch conducted thorough research and performed a comprehensive due diligence process in collaboration with the head office and branch. This confirmed that the project aligns with the “Thousand Trillion” Project and climate investment and financing orientation. The subbranch actively engaged with the leading bank of the consortium, forming an RMB 800 million syndicated loan involving eight banks, with the subbranch assuming a share of RMB 80 million. Timely loan disbursements totaling RMB 11.0925 million were made at key project milestones, providing stable financial support to ensure the smooth progress of the project.

(1) Green factory loans

Green factories serve as the cornerstone of green manufacturing and a critical tool for advancing the nation’s green manufacturing agenda. The Bank has established a nationwide partnership with the Ministry of Industry and Information Technology, introducing the innovative “Green Factory Loans” product to create a comprehensive financial solution tailored to the needs of green factories. This includes addressing key areas such as fixed asset investment, liquidity management, green technology innovation, and the development of sustainable supply chain ecosystems.

Case: Green factory loans empower the green manufacturing of the new energy vehicle industry chain

Company Z, a leading global new energy technology enterprise, operates multiple national green factories and is steadily advancing the development of overseas zero-carbon factories. In response to the company’s funding requirements for capacity expansion and green transformation, CZBank has delivered targeted financial support, building a comprehensive support framework. Starting with an initial credit line of RMB 400 million in 2022, the Bank has progressively increased its support to a total group amount of RMB 1.5 billion. By 2025, an additional RMB 200 million in supply chain credit quota was allocated to specifically address the production and low-carbon technology research and development needs of various bases. Simultaneously, the Bank focuses on supporting core enterprises by creating a holistic “green credit + supply chain finance” service model. Leveraging its credit endorsement, the Bank provides low-cost financing solutions for upstream suppliers, effectively activating the ecological synergy of the industrial chain and fostering sustainable development across the entire ecosystem.

(2) Transition finance loans

Transition finance plays a vital role in facilitating the shift from high-carbon to low-carbon industries. Currently, the People’s Bank of China has issued four industry-specific transition finance catalogs targeting coal power, steel, building materials, and agriculture, and has initiated pilot projects in certain regions. Additionally, it has developed tailored transition finance catalogs for the textile industry in Zhejiang Province. In response to the low-carbon transformation financing needs of enterprises, the Bank has launched specialized transition finance loan products to support the green and low-carbon transformation of key industries. These efforts have led to the successful implementation of transition finance initiatives across multiple sectors, including agriculture, building materials, and textiles, in Huzhou.

Case: Transition finance supports the textile industry's green and low carbon transformation

A leading textile enterprise in Huzhou was designated as a national green factory in 2023 and is also included in the Huzhou City Transition Finance Support Catalogue. Over the past few years, the enterprise has encountered substantial funding requirements during the intelligent upgrade of production equipment and the pursuit of green and low-carbon transformation. To address these challenges, the Bank implemented targeted measures by analyzing historical energy consumption data—such as oil, electricity, and gas usage—from the past three years. By combining this data with financial information, the Bank scientifically assessed the enterprise’s carbon intensity and developed a customized “carbon account.” Based on the carbon emission data from this account, the Bank provided tailored transition financial loans and introduced innovative mechanisms that dynamically adjust loan interest rates in relation to carbon intensity. In 2025, the Bank issued a low-carbon transition loan of RMB 16 million to the enterprise, with the funds exclusively allocated for green product research and development and large-scale production. This support aims to facilitate the enterprise’s green and low-carbon transformation and upgrading.

(3) Environmental assets mortgage and pledge loans

The Bank conducts a thorough review of the environmental rights landscape in various regions and tailors financing models that leverage local characteristics to utilize environmental rights—such as carbon emission rights, Chinese Certified Emission Reduction (CCER), discharge rights, water usage rights, energy usage rights, forestry carbon sinks, and marine carbon sinks—as collateral. Currently, the Bank has successfully issued its first forestry carbon sink pledge loan in the Nanjing area, marking a significant milestone. Additionally, the Bank has facilitated pollutant discharge mortgage loans through the Zhejiang Province Emission Rights Trading Platform in Shaoxing and Huzhou regions, further demonstrating its commitment to innovative and sustainable financing solutions.

Case: Discharge rights mortgage loan pioneers a transformative approach to unlocking environmental asset value

The core of unlocking the value of discharge rights lies in transforming traditional corporate environmental compliance expenses into scarce financial assets with clear market value. A paper manufacturing company in Huzhou has demonstrated exceptional achievements in the fields of waste resource utilization, harmless treatment,

and exploitation of renewable resources. Despite its strong track record in green production, the company is currently experiencing a temporary funding shortfall in operational areas such as raw material procurement. To address these challenges, the Bank has actively explored innovative financing models utilizing environmental rights as collateral. As part of this initiative, the Bank successfully piloted the issuance of a RMB 1 million pollutant discharge rights-backed loan. The company submitted its application through the Zhejiang Province Emissions Trading Platform and secured full funding within just two days. Additionally, the company benefited from a 20 basis points interest rate discount, effectively easing its working capital pressures. This pioneering product—the pollutant discharge rights-backed loan—offers a replicable financial solution for businesses in high-energy-consuming and high-emission industries to unlock the value of their environmental assets.

Case: Climate loan: Empowering tea enterprises' green transition with financial vitality

CZBank Huzhou Branch utilized the “Climate Loan” special product to support Anji Lonwonson Tea Company in undertaking a comprehensive automation transformation and constructing Lonwonson’s first provincial-level agricultural digital chemical factory. In July 2025, following the company’s attainment of “Ecological Low-Carbon Tea” certification and a “Climate and Ecological Friendly Project” evaluation report, the branch issued a special loan of RMB 10 million. The innovative interest rate incentive mechanism for this initiative stipulates that if the company purchases white tea meteorological index insurance, the loan interest rate can be reduced by 50 basis points, thereby encouraging the company to proactively manage climate risks through financial tools. This model has inspired multiple local tea companies to follow suit and pursue certification, serving as a compelling example of financial precision services for agricultural green transformation.



Figure: A financial advisor visits a tea company to learn about the sales situation

3. Green bonds

The Bank is actively expanding its leadership in green bonds, committed to developing a diversified and comprehensive green financing product ecosystem. Its underwriting portfolio fully encompasses the primary categories of carbon neutrality bonds, green bonds for scientific and technological innovation, green bonds for rural revitalization, and “Two New” green bonds, aligning with the national “dual carbon” objectives and green development policy directives. By bridging the gap between diverse financing needs and sustainable investment capital, the Bank has demonstrated its ability to deliver impactful solutions. Through continuous product innovation and expert underwriting services, the Bank successfully underwrote a total of RMB 5.575

billion in green bonds during the reporting period and issued RMB 5 billion in green bonds with an AAA credit rating. These efforts not only inject financial momentum into various green sectors but also significantly bolster the Bank's service capabilities and brand influence in the green capital market. As of the end of 2025, the outstanding balance of the Bank's green finance bonds stood at RMB 5 billion. No major pollution liability accidents or other environmental violations have occurred in the enterprises supported by or projects financed through these green bonds. The Bank will intensify its marketing and reserve efforts for green projects, strengthen the allocation management of funds to specific projects, reduce the idle time of capital, and enhance the efficiency of capital utilization, thereby leveraging the positive role of green bonds in driving economic transformation and industrial structure upgrading.

Case: Actively promoting green bond initiatives

In May 2025, the Bank successfully issued the first phase of CZBank's 2025 green bonds in the national interbank bond market. The issuance scale of this bond was RMB 5 billion, with a term of 3 years and a coupon rate of 1.69%. The issuance of this bond received a strong market response and enthusiastic subscription from investors. The investor base included commercial banks, securities companies, fund companies, insurance companies, and other multi-layer investment entities, with a subscription multiple of 4.3 times. This outcome fully reflects the high recognition of investors for the Bank's stable operations and green financial practices.

In June 2025, the "25 Kangfu Leasing MTN004 (Carbon Neutrality Bond)" underwritten by the Bank was successfully issued, with an issuance amount of RMB 300 million. The funds raised were fully allocated to repay interest-bearing debts generated by green projects and finance lease payments, primarily involving wind power plant projects, photovoltaic power generation projects, and wind power storage projects. According to the evaluation and assertion by the green assessment agency, the projects supported by this bond are expected to achieve an annual reduction of 824,100 tons of carbon dioxide emissions, and save 466,400 tons of standard coal annually. Additionally, the projects will contribute to the reduction of 133.20 tons of sulfur dioxide and 215.47 tons of nitrogen oxides per year.

4. Green investment

The Bank has constructed a diversified green investment matrix to foster collaboration across multiple categories and channels, enabling the allocation of green bond assets in a diversified manner and fully unlocking the value of such allocations. In the realm of green investment, the Bank focuses on the opportunities presented by assets such as wind power, photovoltaics, and new energy, steadily creating dual value by balancing green outcomes with tangible returns. This approach deeply embodies the green finance concept of integrating steady income with sustainability. As of the end of 2025, the balance of green bond investments in the Bank's capital operation center reached RMB 6.974 billion, representing a year-on-year increase of 9.07%. Additionally, the Bank's subsidiary, CZBank Wealth Management, achieved a balance of RMB 1.804 billion in green bond investments and successfully launched a green-themed wealth management product in September 2025: the "CZBank Wealth Management Congrong Jiuyao Tianli 360 Day Holding No.

1 Carbon Neutrality Strategy Enhanced” (浙銀理財琮融九曜添利 360 天持有 1 號碳中和策略增強) wealth management product. This product guides funds toward sustainable development and carbon neutrality-related thematic assets, further advancing the Bank’s commitment to green finance.

5. Green consumption

The Bank proactively promotes green and low-carbon themed credit cards, encouraging and supporting individual consumers to adopt green and low-carbon lifestyles through means such as green transportation. This initiative fosters the concept of green consumption and collective action toward a sustainable future. As of the end of 2025, the Bank has issued a total of 19,000 green and low-carbon themed cards, including subway travel cards to offer subway travel discounts of 1 million times and issued 35,000 shared bike season or monthly cards to customers. These efforts have collectively reduced carbon emissions by 3,000 tons. By integrating green and low-carbon concepts into everyday life, the Bank empowers consumers to contribute to a more sustainable society.

(III) ESG risk management

The Bank has been continuously refining its green financial system and has established a robust ESG risk management framework. This system encompasses a wide range of investment and financing activities, including loans (such as trade financing), bill acceptance and discounting, overdrafts, bond investments, special purpose vehicle investments, letter of credit issuance, factoring, guarantees, loan commitments, interbank lending, interbank deposits, interbank borrowings, interbank payments, buy-for-resale transactions, and investment banking services. Additionally, it covers other businesses where the Bank or its wealth management products assume credit risk. The Bank has integrated ESG risk management into its comprehensive risk management system, ensuring that ESG considerations are embedded throughout critical processes such as due diligence, review and approval, contract formation, loan management, and post-investment/loan management. A dedicated green finance and ESG risk management system has been established, with ESG risk management mechanisms implemented across all levels and departments.

The Bank closely monitors the potential impact of ESG risk factors on overall credit risk in investment and financing activities, with a particular focus on strengthening the identification, assessment, monitoring, and prevention of relevant risks. To address these challenges, the Bank has developed a clear ESG risk classification framework and a comprehensive, end-to-end ESG risk management mechanism. Based on the results of risk assessments, the Bank has also established corresponding mitigation measures to effectively manage and reduce ESG-related risks.

1. ESG risk categorized management

The Bank implements a categorized approach to managing ESG risks faced by credit customers, tailoring its management strategies based on the severity of the risks. Credit customers are classified into three categories—high risk, medium risk, and low risk—based on the level of ESG risk they are faced with. During

the business initiation phase, customers undergo a systematic process of initial classification, thorough review, and final confirmation, which is seamlessly integrated into the credit issuance process.

'High risk' customers	Customers whose construction, production, and business activities may have serious adverse environmental and social impacts, or who face significant corporate governance issues and risks.
'Medium risk' customers	Customers whose construction, production, and business activities may have a moderate degree of adverse environmental and social impacts, or who face a moderate level of corporate governance issues and risks.
'Low risk' customers	Customers whose construction, production, and business activities rarely result in adverse environmental and social impacts, or who face minimal corporate governance issues and risks.

For medium- and high-risk customers, dynamic assessments of ESG risk control progress must be conducted. The outcomes of these assessments should serve as a critical reference for customer ratings, credit access, portfolio management, and exit strategies. Differentiated risk management measures will be implemented during triple reviews of loans, pricing adjustments, and economic capital allocation.

2. ESG risk management process

In conducting ESG due diligence, the Bank adheres to the principles of “categorized management” and “dynamic control,” requiring operating institutions and credit review departments to undertake comprehensive ESG risk due diligence and credit review evaluations based on the specific characteristics of the customer, as well as the industry and regional context of the project.

Due diligence	The Bank has established the <i>Environmental, Social, and Governance Risk Assessment Standard</i> to address credit due diligence requirements for ESG risks. This standard covers various aspects, including pollutant and waste discharge management, climate change impact and response, green development opportunities, natural resource and energy utilization, environmental governance strategy and performance, green supply chain practices, employee rights protection and talent development, product and business responsibility, social impact and contribution, management structure, and business strategy. To ensure the authenticity and reliability of the investigation, the Bank cross-references data provided by customers with information obtained from government authorities, industry associations, credit reporting agencies, regulators, media, and the public. This process covers internal and external data of various level, allowing the Bank to accurately identify and assess the ESG risks faced by its customers.
Review and approval	The Bank mandates a thorough review of ESG risk information and classification for customers or projects, providing specific review opinions. During the contract signing process, for borrowers classified as medium- or high-risk in terms of ESG risks, the Bank strengthens ESG

	risk management by incorporating enhanced contract terms. Throughout the lending process, reviewers continuously assess the borrower’s ESG risk management practices and monitor potential risks, ensuring proactive risk mitigation.
Post investment/loan management	The Bank actively collects, identifies, categorizes, and dynamically analyzes customer ESG risk information during routine post-investment or post-loan inspections. It closely monitors the impact of domestic and international legal, policy, technological, and market changes on customer operations and industry development. By conducting timely and accurate evaluations of customer ESG risk status, the Bank implements appropriate measures to manage risks effectively. Additionally, the Bank conducts regular ESG risk inspections for customers classified as high-risk or medium-risk.

3. Triggers and risk escalation process

The Bank has established a dynamic ESG risk assessment mechanism in its *Environmental, Social, and Governance Risk Management Measures*, enabling continuous updates to customer ESG risk classifications. By integrating manual processes with a digital system, the Bank automatically monitors ESG-related risk indicators. If the system detects that a customer meets the criteria for an ESG risk level escalation, it triggers the ESG risk classification adjustment process.

The ESG risk level escalation triggers include but are not limited to:

- In the past three years, there have been records of being punished or publicly reported for failing to meet environmental standards, or having negative environmental credit evaluations.
- In the past three years, there have been instances of administrative penalties related to the production of substandard goods.
- In the past three years, there have been disputes, including equity-related issues, among shareholders or between shareholders and the company.

After the ESG risk classification adjustment process is triggered, designated bank staff will reclassify the risk based on the criteria outlined in the ESG risk management measures. This reclassification must undergo a rigorous review and confirmation process. Should the risk classification escalate to medium or high risk, the client will be mandatorily included in the ESG risk list management framework. In such cases, the client will be required to implement additional risk mitigation measures, which may include formulating and executing major risk emergency plans, establishing robust stakeholder communication mechanisms, engaging third parties to share ESG risks, conducting regular on-site ESG inspections, and continuously monitoring and assessing the client’s ESG risk profile.

(IV) Ecosystem and biodiversity conservation

The Bank actively supports biodiversity-related initiatives and requirements, such as the Kunming-Montreal Global Biodiversity Framework and the Joint Declaration of Banking Financial Institutions on Supporting

Biodiversity Protection. To further advance these efforts, the Bank has issued the Development Strategy and Implementation Outline of Green Finance. In its investment and financing activities, the Bank strictly adheres to laws, regulations, and rules for biodiversity protection, prudently evaluates the impact of clients or projects on ecosystems, and strictly complies with the requirements of ecological protection red lines, environmental quality bottom lines, resource utilization upper limits, and ecological environment access lists. Additionally, the Bank actively promotes biodiversity protection and ecological restoration.

Based on the “CZBank Ethics Standard” system, the Bank evaluates and scores customers based on their social behavior. For instance, customers who have received relevant certificates or commendations from government departments in areas such as biodiversity protection and ecological environment conservation can earn additional points in their ratings. According to the rating results, the Bank determines the customer’s ethics level and implements differentiated financial service strategies tailored to customers with varying ethics levels. This approach guides financial resources toward customers who contribute to creating social value. The Bank has clearly outlined these practices in the *Basic Credit Policy of CZBank for 2025*. The policy emphasizes actively serving major national development strategies, increasing financial support for green, low-carbon, and circular economies, and biodiversity protection. It also aims to assist in the comprehensive green and low-carbon transformation of the economy and society, as well as support the construction of a beautiful China. Furthermore, the policy requires actively supporting pollution control, ecological protection, and restoration. Specifically, the Bank increases support for the construction and upgrading of sewage collection and treatment facilities in industrial parks, urban new areas, and urban and rural areas. It also supports financing needs for key industry pollution control, domestic waste classification and treatment disposal, and the emerging comprehensive utilization of solid wastes. Additionally, the Bank supports the sustainability of wildlife and habitat protection, marine ecological protection and restoration, marine new energy, and ecotourism industries.

(V) Metrics and targets

The Bank has established a long-term development goal in the *Development Strategy and Implementation Outline of Green Finance*: over the next five years, it aims to build a comprehensive green finance system architecture, enhance green finance professional service capabilities, strengthen carbon accounting capabilities and ESG risk management levels, improve its own green performance, and gradually evolve into a green and low-carbon bank. Additionally, in the *Implementation Plan for High-Quality Development of Green Finance of CZBank*, the mid-term development goal is defined: the Bank will continue to refine its green finance system, reinforce ESG risk management, orderly advance carbon accounting initiatives, elevate information disclosure standards, and enhance green finance service capabilities.

Key indicators	Management objectives	Progress in 2025
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<p>Long term goal for the development of green finance</p>	<p>The long-term development goal in the <i>Development Strategy and Implementation Outline of Green Finance</i>: Over the next five years, the Bank aims to build a comprehensive green finance system architecture, enhance green finance professional service capabilities, strengthen carbon accounting capabilities and ESG risk management levels, improve its own green performance, and gradually evolve into a green and low-carbon bank.</p>	<p>By the end of 2025, the Bank has formed four specialized working groups—policy research, customer and marketing, brand building, and performance—to drive its green finance initiatives. During this period, the Bank has successfully developed a comprehensive green finance system architecture, strengthened end-to-end management of customers’ ESG risks, and created a holistic service product ecosystem tailored to manufacturing customers’ needs for capacity expansion, technological innovation, trade, and overseas expansion. Additionally, the Bank has introduced targeted financial solutions, including products for green factories and transition finance, to further support its green finance objectives.</p>
<p>Green finance development goals for the current year</p>	<p>The Bank will strengthen resource coordination and collaboration, continuously enhancing the quality and efficiency of green finance services across the organization through measures such as mechanism construction, resource allocation, assessment guidance, product innovation, and comprehensive collaboration. By 2025, the Bank ensures that all green finance indicators meet regulatory requirements, with green loan indicators satisfying the MPA assessment criteria of the People’s Bank of China. The Bank’s performance in the green finance evaluation conducted by the People’s Bank of China shows steady improvement.</p>	<p>As of the end of 2025, the Bank’s green loan balance stood at RMB 256.835 billion, an increase of RMB 19.045 billion compared to the beginning of the year, representing a growth rate of 8.01%. This growth outpaced the expansion of overall loans. The number of green finance customers exceeded 15,000, and since 2025, the cumulative underwriting of green bonds reached RMB 5.575 billion.</p>
<p>Green loan growth rate</p>	<p>From 2021 to 2025, the growth rate of green loans will maintain a pace no less than the average growth rate of all loans within the Bank.</p>	<p>As of the end of 2025, the Bank’s green loan balance stood at RMB 256.835 billion, an increase of RMB 19.045 billion compared to the beginning of the year, representing a growth rate of 8.01%. This growth outpaced the expansion of</p>

	overall loans.
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III. Practicing green operations

CZBank proactively advances the concept of energy conservation and emission reduction, promoting green office practices by fully embracing paperless operations and meetings. The Bank is committed to constantly refining a convenient and efficient green office platform while systematically implementing hardware upgrades, particularly focusing on key energy-consuming equipment such as lighting, air conditioning, elevators, and power distribution systems. These efforts aim to reasonably carry out energy-saving renovations. Additionally, to minimize resource consumption during service delivery and achieve both carbon reduction and operational efficiency, the Bank has adopted comprehensive digital and online solutions for network operations and service processes.

(I) Advocating low-carbon operation

Electronic stamping and voucher	We have developed a comprehensive digital operational management platform, integrating various system functionalities to streamline processes and minimize manual intervention in ledger preparation, storage, and destruction. To further promote digital development, we have introduced electronic vouchers, enabling businesses to operate without manual form-filling and reducing reliance on paper-based vouchers. Additionally, we have implemented electronic approval and archiving systems, eliminating the need for paper-based approval forms. The Bank has also achieved significant progress in the digitization of seals, completing 81,514 tasks involving electronic special seals for correspondence. Furthermore, we have pioneered electronic voucher functions, achieving an annual paper saving of 1.93 tons through the electronic voucher accounting data pilot project.
Innovative remote service system	Leveraging cutting-edge digital technologies such as remote video and facial recognition, we have redefined the remote operation service process, combining these innovations with multi-dimensional risk prevention and control measures enabled by big data. This has culminated in the creation of the “Zhejiang E-office” remote operation service system. The “Zhejiang E-office” offers 27 distinct business functions, seamlessly integrating the convenience and speed of online channels with the user-friendly and considerate nature of counter services. This initiative has significantly reduced the need for customers to visit branches, thereby lowering their carbon footprint from travel.
Promoting the construction of green branches	To further advance sustainability, we encourage local branches to pursue “zero carbon” network construction, focusing on operational efficiency and emission reduction. By adopting green practices such as low-carbon commuting and green office protocols, branches are gradually achieving carbon peak and carbon neutrality in their operations and asset portfolios. In 2025, the Lishui Branch and Jinhua Branch were recognized for their “zero

	carbon” network operation. Moreover, the Bank designated the Huzhou Branch as a demonstration branch for green finance reform and innovation, showcasing and promoting the experiences of three “carbon neutral” outlets within its jurisdiction.
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(II) Optimizing resource management

Saving energy in lighting	We implement energy-saving control measures (by hours and sections) for lighting in public areas such as corridors, halls, offices, conference rooms, bathrooms, stairwells, and basements, and replace high-efficiency energy-saving lighting fixtures in certain areas. For instance, stairwell ceiling lights are equipped with sound-activated controls, while lighting in underground garages of some office buildings is managed by time-based scheduling and energy-saving renovations. Additionally, we adopt the minimum required illumination levels in office areas to achieve the building’s overall energy-saving objectives.
Saving energy in air conditioning	We develop tailored energy-saving plans for air conditioning equipment based on the building’s specific characteristics. For qualified office buildings, energy-saving settings for air conditioning can be remotely configured to meet energy-saving goals.
Saving energy in outlet operation	The design and construction of branch offices incorporate the concept of “carbon neutrality” across their entire lifecycle. This includes integrating low-carbon operating equipment and facilities into the branch office construction process, as well as leveraging clean energy sources such as photovoltaics, high-performance insulation materials, and IoT-enabled low-carbon energy-saving systems for fine-grained control of lighting and air conditioning. Furthermore, we select E1-grade or higher environmentally friendly building materials and prioritize E0-grade environmentally friendly materials for furniture.
Saving energy in computer rooms	For computer rooms and data centers, we implement energy-saving measures such as modular design and full utilization of natural cooling functions, as well as water-saving measures like reducing cooling water pollution and minimizing cooling water evaporation. As of the end of 2025, the average daily energy consumption of IT equipment in data centers was approximately 45,000 kWh, with an average PUE value of 1.322.

(III) Promoting green concepts

While strengthening green operation management, the Bank actively advocates green environmental protection concepts to customers, employees, and suppliers, leading stakeholders to participate in energy conservation and environmental protection actions. This includes, but is not limited to, advocating the “Clean Plate Campaign” by regularly promoting it in employee canteens, eliminating food waste through precise procurement, on-demand meal preparation, and kitchen waste statistics and analysis, and fostering employees’ virtues of saving food. Additionally, the Bank prioritizes the selection of environmentally friendly and biodegradable office supplies, cleaning supplies, and office furniture, while also prioritizing the procurement

of new energy.

Case: Advancing green operations: Fostering low-carbon office environments, cutting costs, and boosting efficiency

CZBank Jinan Branch has implemented a range of energy-saving measures, including flexible elevator operating hours, standardized air conditioning temperature settings for summer and winter, enhanced management of water heaters and drinking fountains, tiered lighting control, and standardized energy-saving behaviors, while also installing photovoltaic power generation devices in office buildings to significantly reduce electricity costs and cut carbon emissions by over 500 tons. As a result, the branch has been recognized as a “Class A Unit” in the 2024 ESG evaluation of the banking industry in Shandong Province.

Chapter IV Society



I. Strengthening consumer rights protection

CZBank has a profound understanding of the political and people-centric nature of financial services, and deeply commits to its core mission of “financial services for the people”. By adhering to a customer-centric approach, CZBank upholds a steadfast commitment to “Promoting Ethical Finance and Serving the People through Consumer Protection”. By implementing enhancements to its consumer rights protection policies and service processes, CZBank actively promotes the protection of consumers’ rights and ensures the safeguarding of customer interests.

(I) Consumer rights protection-related governance structure

CZBank rigorously implements relevant legal and regulatory requirements, including the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests and the Administrative Measures for the Protection of Consumer Rights and Interests by Banking and Insurance Institutions. In accordance with these requirements, the Bank has put in place relevant consumer protection policies and processes, and regularly convenes consumer protection work meetings, establishes and improves its operating, decision-making, and oversight mechanisms for consumer rights protection.

1. Organizational Structure

Decision-making level	<p>Serving as the highest decision-making body for consumer rights protection, the Board of Directors is responsible for developing consumer rights protection strategy, policies, and goals to ensure fairness for consumers. The Board integrates consumer rights protection requirements into our business strategy and corporate culture. The Board’s Consumer Rights Protection Committee is responsible for conducting research on, guiding, and supervising the implementation of consumer rights protection initiatives and the performance of senior management in this area to ensure the completeness, timeliness, and effectiveness of the Bank’s consumer rights protection programs.</p> <p>In 2025, the Board’s Consumer Rights Protection Committee:</p> <p>Provided guidance on consumer rights protection initiatives, including the design and implementation of the relevant work plans, key priorities, internal auditing, and performance evaluations;</p> <p>Ensured rigorous supervision of product and service review processes aligned with consumer protection principles;</p>
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	<p>Conducted regular and timely monitoring of complaint controls, coordination mechanisms, branch-level rectification status, and other work by senior management and consumer protection departments;</p> <p>Approved certain key documents, including <i>CZBank's Annual Consumer Rights Protection Work Report in 2024 and Work Plan in 2025</i>, and <i>CZBank's Guiding Principles for Consumer Rights Protection Work (2025 Edition)</i> and reviewed routine operations such as relevant policy development for consumer protection and complaints handling; and</p> <p>Provided guidance on the enhancements to CZBank Consumer Rights Protection Policy and CZBank Consumer Rights Protection Review Policy and CZBank Customer Complaints Handling Policy.</p>
Senior management	<p>Senior management is responsible for formulating and reviewing bank-wide consumer rights protection programs and policies, and for putting in place a robust system of consumer rights protection controls. This includes guiding the development of a robust consumer protection management system characterized by clear objectives, a proper organizational structure, adequate safeguards, and effective implementation. Under its structure, the Consumer Rights Protection Committee is tasked with developing and deploying the overall consumer rights protection plan and strategies.</p> <p>In 2025, senior management convened over 20 consumer protection meetings to plan and coordinate the Bank's annual consumer rights protection priorities. These included advancing the development of relevant policies and processes, strengthening suitability management and marketing conduct oversight, resolving disputes, enhancing financial literacy and consumer services, and protecting personal information.</p>
Operational level	<p>In 2025, the Bank set up an independent first-tier department at the head office level—the Department of Corporate Social Responsibility and Consumer Rights Protection—to serve as a centralized oversight role in the Bank's consumer rights protection. The department is tasked with organizing, coordinating, supervising, and directing relevant head office departments and branches in implementing consumer rights protection measures. Each business unit at the head office assumes primary responsibility for consumer rights protection within its respective operational domain, ensuring the effective operation of all related initiatives. Domestic branches have adopted a governance model aligned with the head office, establishing dedicated consumer rights protection units and appointing specialized personnel to lead such efforts. These branch-level units coordinate, supervise, and direct their internal consumer rights protection activities, while remaining subject to oversight and guidance from the head office.</p>

2. Consumer Rights Protection Policies and Processes

We integrate consumer rights protection elements into our governance framework, business strategy, and corporate culture. We have continued to revise and issue relevant policy documents and specific measures. Currently, we have put in place a robust consumer rights protection framework consisting of requirements for the relevant processes and mechanism, suitability management, marketing conduct oversight, dispute resolution, financial literacy enhancement, consumer services, and personal information protection. In 2025, we revised our policy documents including *CZBank Consumer Rights Protection Policy*, *CZBank Consumer Rights Protection Review Policy*, and *CZBank Customer Complaints Handling Policy*, as part of our efforts to build a fair, open, and transparent financial consumption environment.

We have integrated consumer protection metrics into our performance evaluation system for both the head office departments and all branch offices. The evaluation outcomes are incorporated into the accountability framework and human resources management system. In 2025, we updated our consumer protection-related performance evaluation system to include key performance indicators in relevant process and mechanism development, suitability management, marketing conduct oversight, dispute resolution, financial literacy enhancement, consumer services, and personal information protection, with a focus on key business areas and critical processes where financial consumer rights infringement activities usually occur.

3. Audit and Supervision on Consumer Rights Protection

We have put in place regularized and standardized audit and supervision mechanisms for consumer protection. We have included audit of consumer protection work part of our routine audit. Our existing *CZBank Internal Audit Standard No. 17 – Audit of Consumer Protection Work (Revised in 2023)* establishes the requirements for audit frequency, key audit areas, and audit scope. These audits cover relevant departments and first-tier branches of the Bank over a five-year cycle, with a focus on critical areas such as product and service management, financial literacy programs, and consumer complaint resolution. In 2025, we conducted, as planned, a special audit of consumer protection work at the Head Office and branch office levels.

4. Training on Consumer Rights Protection

To enhance the consumer rights protection awareness among all employees, we have put in place robust training policies and programs for financial consumer protection. We provide specific training to all customer-facing staff annually to effectively elevate their capabilities and competencies in consumer rights protection and ensure the delivery of quality financial services to customers. As of the end of 2025, we conducted a total of 1,045 training sessions related to financial consumer rights protection. These sessions reached 114,000 employees, covering personnel at all levels across head office and branch offices, including senior and mid-level management, consumer protection officers, front-line staff, and new hires.

5. Debt Collection Practices

In our debt management practices, we adhere strictly to compliance, fairness and impartiality. We uphold our legitimate rights and interests while fully respecting and safeguarding the lawful rights of debtors,

continuously reinforcing our brand image and reputation. To comply with regulatory requirements such as the Personal Loan Management Measures and the Interim Measures for the Management of Internet Loans by Commercial Banks, we have developed and implemented relevant policies including *CZBank Retail Credit Post-Loan Management Policy* and *CZBank Retail Credit Debt Collection Management Policy*. We have also put in place systematic training programs, which are designed to ensure standardized and compliant debt recovery practices at the branch and sub-branch levels. We have integrated consumer protection results into our overall performance evaluation for retail credit business staff, with a focus on total complaint volumes and valid complaints. Through a dedicated coordination mechanism, the Head Office assigns specialized personnel to assist in debt recovery and resolution at the branch level, providing solid guidance and support to ensure compliance throughout the debt recovery process, thereby effectively safeguarding the legitimate rights and interests of financial consumers.

In accordance with our established policies including *CZBank Credit Card (Consumer Finance) Debt Collection Policy*, we conduct annual debt collection-related training for staff across relevant business lines to raise their compliance policy awareness. We have integrated consumer protection requirements into our routine management practices through these initiatives.

(II) Consumer rights protection review for products and services

We have put in place a robust consumer rights protection (CRP) review mechanism for products and services. The mechanism is formalized in *CZBank Consumer Rights Protection Review Policy*, which outlines the roles and responsibilities, scope, checkpoints, workflow, and other key requirements for CRP review. To enforce strict compliance, we have hard-coded CRP review requirements into the approval processes of relevant matters through our internal systems. We have also integrated the CRP review framework into our comprehensive risk management system. We regularly report the implementation of the CRP review mechanism and the review results in our comprehensive risk management reports, which are reviewed quarterly by the Board's Risk Control and Related Party Transactions Control Committee. This governance structure ensures proactive identification and mitigation of risks that could potentially harm consumer rights at the front-end of product/service design.

Prior to launching new products or services to consumers, or making significant changes to existing offerings, we conduct robust CRP reviews. These CRP reviews encompass, but are not limited to, regulatory frameworks, policy documents, public notifications, and marketing materials. For matters of material significance, we employ a structured approach through high-level coordination meetings chaired by senior executives and involving department heads, as well as specialized business discussions and product approval sessions to thoroughly address consumer protection considerations. This proactive mechanism effectively shifts the focus of consumer rights protection to the early stages of product/service development, preventing the launch of offerings with unresolved risks. In 2025, the Head Office conducted CRP reviews for 1,529 newly introduced or substantially modified products and services, resulting in 4,545 review comments.

(III) Ensuring ethical marketing practices

We have put in place multiple policies to standardize our marketing and promotional activities, ensuring that all marketing and promotional practices are compliant with legal and regulatory requirements and conducted in a fair and appropriate manner.

Marketing and promotion	In accordance with <i>CZBank Marketing and Promotion Behavior Policy</i> , we have established clear ethical standards for marketing activities and enhanced management of marketing personnel and partnering organizations. We emphasize respect for consumer preferences throughout our marketing processes, with particular focus on truthful advertising and fair competition principles to protect the rights of financial consumers.
Suitability management in sales	Compliant with regulatory requirements, we have put in place <i>CZBank Investor Suitability Management Policy for Wealth Management Business</i> . This framework establishes: a five-tier risk classification system for wealth management products; financial consumer categorization and risk tolerance assessment mechanisms; and standardized suitability matching criteria. Our approach ensures that suitable products are distributed through appropriate channels to suitable customers. For special groups such as the elderly population, we have developed dedicated sales procedures with enhanced risk disclosure requirements to provide appropriate protection and guidance.

(IV) Enhancing complaint handling

In accordance with the requirements of the National Financial Supervisory Administration, we have established and enhanced our customer complaint policies and have continued to enhance our complaint resolution processes to effectively safeguard the legitimate rights and interests of consumers.

We have established and refined a comprehensive framework for complaint acceptance, handling, and review. Under *CZBank Customer Complaints Policy (2025 Edition)*, we mandate that complaints must be verified and resolved by personnel with no direct interest in the disputed matter, in accordance with the principle of recusal. The process emphasizes timely communication and proactive negotiation with customers to resolve disputes. Complaint resolution personnel are required to investigate the issue thoroughly, understand customer concerns, and formulate practical solutions to address these concerns effectively. Upon receipt of a customer’s review request, the relevant business department shall review the complaint handling process, resolution timeframe, and final outcome. A review decision must be made within 30 days of receiving the request and communicated to the customer via written notice or telephone.

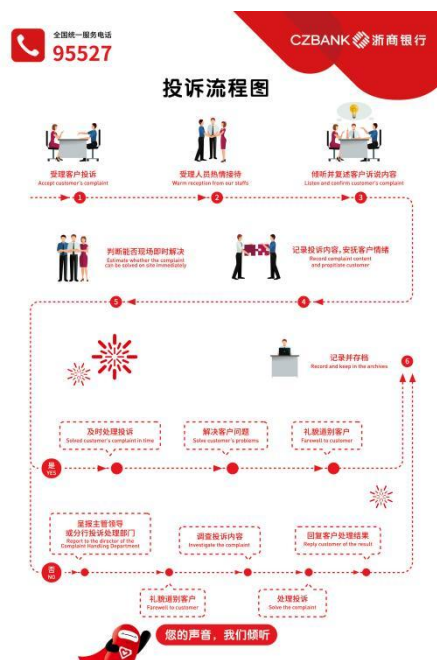


Figure: Complaint handling process at CZBank

<p>Optimized complaint acceptance channels</p>	<p>In addition to dedicated complaint channels such as the 95527 customer hotline, branch complaint windows, and the CZBank APP, we continue to expand and streamline new complaint acceptance channels, including the 12378 regulatory hotline’s “one-click transfer” function and the Financial Consumer Protection Service Platform. We also consistently refine our complaint handling processes to ensure efficiency and effectiveness.</p>
<p>Enhanced complaint referral procedures</p>	<p>Our updated <i>Complaints Policy</i> further clarifies requirements for conflict-of-interest handling, investigation and verification, resolution timelines, and escalation procedures. A notification mechanism for complaints has been established to promptly feedback complaint monitoring results to relevant business departments. We proactively propose improvement measures for products and services with rapidly increasing complaint volumes, effectively driving optimization of business rules and system upgrades.</p>
<p>Continued focus on addressing root cause of complaints</p>	<p>We committed to addressing the root causes of complaints through comprehensive initiatives to elevate complaint handling standards. Strengthening accountability by implementing incentive and constraint mechanisms in critical business areas; providing specialized guidance to high-complaint branches to develop actionable resolution plans; addressing root cause and prioritizing “quality-first” principles in formulating sustainable business strategies to optimize business and customer structures; exploring diversified dispute resolution mechanisms while enhancing convenient services and further opening channels for customer feedback to foster a proactive ecosystem of pre-emptive prevention and resolution of</p>

disputes.

We place a high priority on complaint management by ensuring timely receipt, smooth referral, and efficient resolution of customer complaints. Relevant responsible entities are required to: provide the Board of Directors and senior management with their complaint monitoring report along with an analysis of complaints received, as well as consumer rights protection work report (including complaint data) on a monthly basis; oversee, direct and evaluate the complaint handling process and coordinate with relevant departments and subordinate branches to resolve all consumer complaint types; and promptly submit complaint data and updates to regulatory authorities and the China Banking Association. In 2025, we received a total of 92,462 customer complaints, achieving a 100% complaint acceptance and resolution rate.

Distribution of complaints received by region:

Region	Number of complaints	Region	Number of complaints
Yangtze River Delta Region ⁵	85,486	Bohai Rim Region	2,000
Central and Western Regions	3,788	Pearl River Delta & Western Taiwan Strait Regions	1,188

By service type, complaints related to loan and debt collection services accounted for 43.21%; complaints regarding credit card services 39.70%; and complaints concerning payment & settlement and other service categories 17.09%.

(V) Providing loan adjustment options

Adhering to *CZBank Implementation Rules for Post-Disbursement Loan Modifications in Retail Credit Business*, we allow for reasonable modifications and adjustments to relevant terms and elements of existing loan contracts (loan notes) and guarantee contracts during the tenure of these retail credit assets, provided such changes comply with regulatory requirements. To actively align with national relief policies and risk mitigation priorities, we continuously monitor clients' financial status and dynamically assess changes in their repayment capacity throughout the loan performance period. For clients experiencing temporary financial difficulties due to objective factors such as major disasters, sudden health issues, operational challenges, or unemployment, we, upon mutual agreement with the client, offer adaptive optimizations to contract terms and loan elements through flexible measures such as revised repayment schedules or extended loan tenures. These actions aim to effectively alleviate short-term repayment pressures and support clients' gradual recovery of financial stability.

II. Enhancing customer service experience

5.Complaints received including those directed to Head Office departments.

Guided by the principle of “Finance for Good, Service for the People”, CZBank centers its efforts on the theme of high-quality development. Leveraging the elevation of high-quality services as a pivotal driver, the Bank is deepening the development of its high-quality financial services brand image. This commitment enables CZBank to deliver more sophisticated and efficient financial services to its customers.

(I) Developing high-quality services

The Bank adheres to a customer-centric service philosophy. We comprehensively enhance service quality by continuously optimizing service processes, upgrading service facilities and environments, strengthening staff training and management, and leveraging technological solutions. These efforts create a professional and attentive financial experience for our customers, enabling us to fully earn their trust and support.

<p>Elderly-adapted services at outlets</p>	<ul style="list-style-type: none"> • The Bank makes efforts in smart innovations while providing traditional services. All branches are equipped with priority seating, wheelchairs, and reading glasses. We have upgraded age-friendly hardware with customized solutions, deployed dedicated “Senior Care Specialists”, ensured the availability of traditional payment methods including cash, and provided door-to-door services. This integrated approach delivers extended financial services tailored to elderly customers. Meanwhile, systematic age-friendly upgrades have been implemented across smart teller machines and ATMs, ensuring senior clients can clearly see, easily hear, and confidently operate these devices. • The Bank organized the 2025 Model Branch Selection for Senior Customer Service. By establishing these model branches as benchmarks, we propel the standard of age-friendly financial services to new heights.
<p>Streamlined facilitation of tax refund payments</p>	<ul style="list-style-type: none"> • Advancing the quality and coverage of services for departure tax refunds and enhancing payment convenience. The Bank launched tax refund agency services for international travelers at Hangzhou Xiaoshan International Airport and secured tax agency qualifications in Ningbo. Service points were also established at Wenzhou Longwan International Airport, Yiwu Airport, and Zhoushan Putuo Airport, achieving comprehensive coverage of convenient departure tax refund services across Zhejiang Province. This provides international visitors with a one-stop “shopping + tax refund” experience. • Establishing Zhejiang Province’s first centralized “instant refund upon purchase” point at Hangzhou Tower. Following purchases at designated merchants, international shoppers can visit this centralized point for instant refund services. This integrated facility offers foreign currency exchange, cash exchange, small change services, mobile payment solutions, and financial consulting, delivering a comprehensive suite of convenient services for international visitors.
<p>Cultivation of warm service</p>	<ul style="list-style-type: none"> • A development plan for the Warm Station 3.0 initiative has been formulated. Utilizing digital tools such as the branch enterprise WeChat platform to extend online social services, the plan

stations through dedicated development	introduces the “9+N” sub-brand development framework. This framework adds new station types including the “CZBank Protector” Anti-Fraud Workstation, the “CZBank Reading Corner” Shared Reading Station, and the “Zhejiang One-Stop Service” Government Service Station. These stations cover core areas such as government services, culture, safety, and public welfare, driving deeper integration of financial services and social services.
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Case: Resolving difficulties through doorstep service, delivering warmth via elderly care services

In mid-May 2025, staff from CZBank’s Lanzhou East Sub-branch visited 92-year-old Mr. Chen—who suffered mobility constraints due to a stroke—to perform password reset services using mobile devices. Given the elderly client’s hearing impairment, the personnel deliberately slowed their speech, raised vocal clarity, and supplemented communication with gestures. By meticulously integrating rigorous procedures with compassionate details, they efficiently resolved the issue.



Figure: CZBank provides doorstep elderly care services

Case: Precise services enhancing the quality and efficiency of tax refunds

As a key financial partner for Quzhou City's "Immediate Refund upon Purchase" departure tax refund policy, CZBank’s Quzhou Branch established a secure and efficient financial settlement network. This was achieved by: expediting the opening of dedicated settlement accounts for designated merchants; deploying UnionPay POS terminals accepting foreign cards; and executing precise service agreements. The framework ensures seamless and secure flow of refund capital while successfully integrating digital finance with consumer scenarios.



Figure: An “Immediate Refund upon Purchase” departure tax refund shop

Case: Government services at bank branches, ID processing nearby

On 26 March 2025, the “Resident ID Card Agency Service Point” jointly established by the Shaoxing Zhuji Sub-branch of the Bank and the Zhuji Municipal Public Security Bureau was officially launched. This self-service facility operates through a fully automated process: Citizens need only complete facial recognition, fingerprint collection, electronic signature, and QR code payment via the terminal, with the option to have IDs mailed to their homes. The entire procedure takes approximately five minutes, achieving the goal of “nearby, immediate, one-stop” processing for ID renewal and replacement services.



Figure: Government services at bank branches

(II) Improving digital and intelligent service experience

CZBank adheres to a customer-centric service philosophy, strengthens its leadership in financial technology innovation, and fully leverages the value of data elements. By integrating online and offline service channels and enriching its digital financial product ecosystem, the Bank comprehensively enhances customer experience and satisfaction, thereby improving the effectiveness and efficiency of financial services.

At the Digital Finance Security Development Conference—part of the 2025 Boao Forum for Entrepreneurs—and the Annual Event of the Digital Finance Joint Promotion Year hosted by Xinhua Net and organized by China Financial Certification Authority (CFCA) in December 2025, the Bank was recognized for its outstanding corporate internet banking user experience and AI applications, receiving the “Corporate Internet Banking Leading Star Award” under the 2025 Digital Banking Excellence Awards.

<p>Technology-enabled precision credit</p>	<p>The Bank leverages big data and risk control models to integrate credit cards and multiple consumer credit products, launching an aggregate QR code solution. Customers need only scan the QR code once and grant authorization to instantly view pre-approved credit limits for multiple products. This effectively constructs a business closed loop encompassing “broad reach → efficient conversion → precise credit granting → stable deployment”. As of the end of 2025, over 4,100 customers had scanned the code, with formal credit approval extended to more than 440 customers. Total approved credit reached RMB 1.736 billion, with outstanding balances at RMB 975 million.</p>
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Corporate online banking upgrade	<p>For corporate online banking, the Bank continuously enriches product functionality and iteratively optimizes across parameterization, personalization, usability, and intelligence to address client pain points and individualized needs. During the year, the Bank innovatively launched a web banking portal to resolve compatibility issues with browsers, drivers, and controls. High-frequency operations were streamlined through minimalist design principles to reduce client effort. Error prompts and guidance content were optimized for clarity, while a digital anti-fraud system was introduced. This system employs multiple real-time risk control measures to accurately identify high-risk clients and anomalous transactions.</p>
Treasury service system optimization	<p>The Bank established a corporate treasury “10+3+N” digital intelligence integrated service system. This system focuses on building ten core scenario centers for clients: accounts, settlements, funds, bills, foreign exchange, statements, investments, financing, budgeting, and decision-making. It integrates three service channels—PC terminals, mobile apps, and direct API connections—to develop N specialized applications, including fund pooling and revenue verification. This comprehensively supports clients’ financial digital transformation.</p>
Digital intelligence services for elderly groups	<p>Addressing the digital divide faced by seniors, the Bank prioritizes age-friendly adaptations in digital service scenarios to enhance elderly access to smart services.</p> <ul style="list-style-type: none"> • Revamped the mobile banking “Elder Edition” homepage and module layout with visual presentations combining graphics and text. Completed ATM age-friendly interface upgrades, allowing branches to convert devices as needed. Bolded and enlarged menu options and numeric information to improve accessibility, operability, and perceptibility across online and offline channels. • Added voice navigation to the “Elder Edition” homepage, enabling voice search and one-touch voice activation. Seniors can speak keywords to navigate services directly, significantly simplifying operations. Facial recognition processes were adapted by removing blink requirements and extending scan times, improving success rates and user experience for elderly clients. • Pioneered the “Osmanthus Zone (金桂專欄)” age-friendly hub, integrating four scenarios: “Exclusive wealth management for seniors + healthcare + Ctrip Elder Club + retirement education.” This creates a full-process service chain covering “wealth management–lifestyle services–social companionship.” • Built a Smart Elderly University digital platform featuring event management, course check-ins, and point redemption. This enables fully online operations for “educational informatization + cultural activities + loyalty marketing,” delivering convenience to elderly customers.

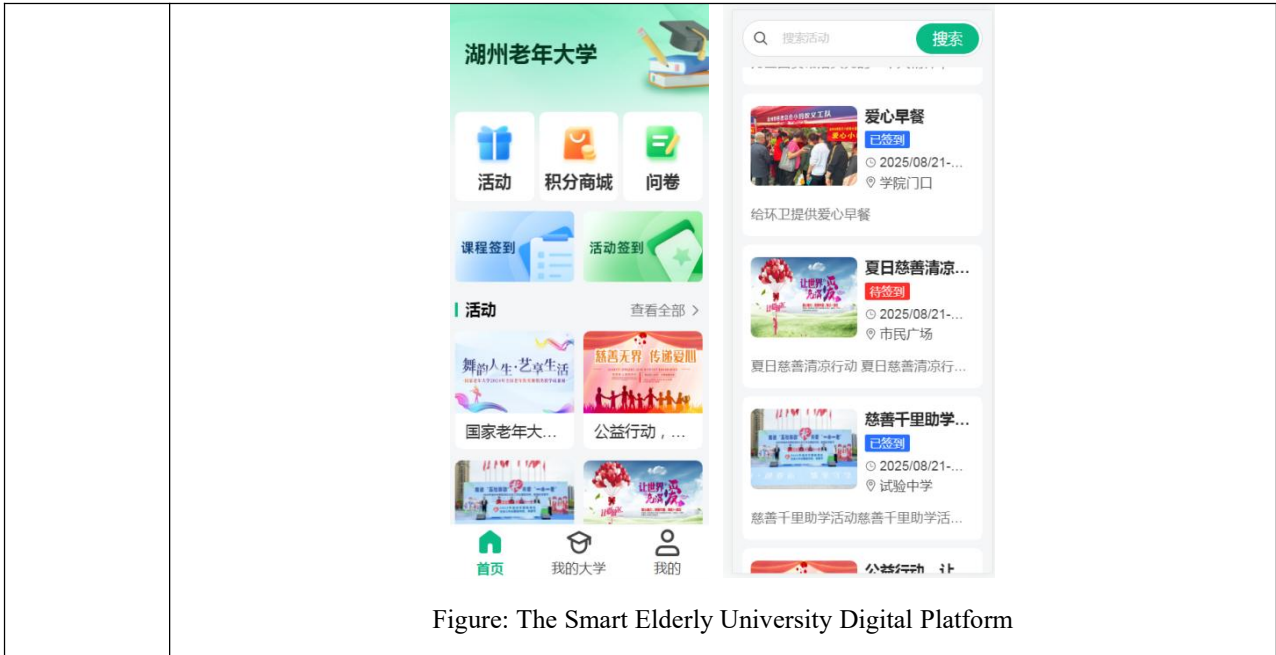


Figure: The Smart Elderly University Digital Platform

Case: Tailoring an integrated service system for enterprises

Facing challenges including fragmented domestic and international accounts, low cross-border capital efficiency, and weak financial controls at Shenzhen HW Logistics, the Bank provided a tailored enterprise treasury management platform solution. This solution aggregates data in real time through API connectivity with the enterprise’s multiple partner banks, creating a unified view while establishing a multi-tiered access control system. Concurrently, it directly integrates the Bank’s query interface with the client’s order management system. By utilizing an intelligent reconciliation engine to automatically correlate bank statements with ERP data, the solution significantly enhances efficiency previously reliant on manual processes, thereby achieving highly efficient centralized fund management and streamlined treasury operations.

III. Ensuring data security and privacy protection

CZBank strictly implements requirements for data security management, customer information protection, and consumer financial information protection. Committed to maintaining trust with customers, the Bank proactively establishes a data security governance framework and management system aligned with business development objectives. It implements security protection mechanisms covering the entire data lifecycle and application scenarios to comprehensively safeguard data and privacy. Furthermore, the Bank integrates data security into its comprehensive risk management system and internal control evaluation framework. It leads consumer rights protection initiatives related to data security, conducts regular data security and risk management audits, and strengthens accountability for data security management at all levels.

(I) Data security and privacy protection governance structure

The Bank has established a data security management organizational framework consisting of the Party Committee, the Board of Directors, senior management, the Head Office's Technology Management

Department, and the Data Management Department. This framework clarifies data security roles, responsibilities, and workflows, providing organizational safeguards for data security efforts. The Bank implements a data security responsibility system under the leadership of the Party Committee, with the Head Office Party Committee and the Board of Directors assuming primary responsibility for guiding and overseeing the senior management's effective execution of data security tasks. Under the senior management, the Bank has established the Information Technology Management Committee and the Data Governance Committee. These bodies are tasked with organizing the development of the data security governance system; implementing data security management measures; reviewing data security management processes and policies; approving major data security-related matters; guiding and coordinating emergency responses to data security incidents; and allocating sufficient resources to ensure effective data security management.

The Bank strictly adheres to the minimum necessary principle in determining the scope, volume, and frequency of data collection. It ensures that no data unrelated to service provision is collected or retained. Explicit consent is obtained from individual customers before collecting personal information, accompanied by clear disclosure of its purpose and retention period. Throughout data collection, management, and usage, the Bank rigorously complies with applicable data security and privacy protection laws, regulations, and supervisory requirements. During the year, the Bank enhanced its data security policy framework by introducing *CZBank Implementation Rules for Data Classification and Grading Management* and *CZBank Technical Standards for Data Security Protection*. It also completed revisions to *CZBank Data Security Management Policy (2025 Edition)*, *CZBank Implementation Rules for Cross-Border Data Security Management (2025 Edition)*, *CZBank Data Security Incident Emergency Response Plan (2025 Edition)*, and *CZBank Cybersecurity Management Policy (2025 Edition)*. These efforts continuously refine the data security institutional system. The Bank strictly adheres to the principles of legality, legitimacy, necessity, and good faith in processing data and customer information, thereby robustly safeguarding customer privacy.

(II) Data security protection and emergency response

The Bank has formulated CZBank Overall Emergency Plan for Information Technology Incidents, CZBank Emergency Plan for Data Security Incidents, CZBank Emergency Plan for Ransomware Prevention, and CZBank Emergency Plan for Cybersecurity Incidents to define end-to-end handling procedures and mechanisms for cybersecurity, data security, and information security incidents. Through conducting regular specialized emergency drills, the Bank continuously enhances its capabilities in monitoring, preventing, responding to, and resolving such incidents. Additionally, the Bank has put in place CZBank Implementation Rules for Data Security Risk Assessments and CZBank Implementation Rules for Risk Assessments in the Information Technology Division, thereby creating a structured data security risk assessment framework. This includes an electronic workflow for data security risk assessments, standardizing the processes, mechanisms, and content of these evaluations.

The Bank classifies data security risks into three levels: high, medium, and low. All departments conduct routine data security risk assessments to strengthen risk identification, mitigation, and reporting. Annually, the

Bank performs comprehensive risk assessments for data security; specialized risk assessments covering critical areas such as important data, cross-border data transfers, facial recognition applications, and data security incidents; and routine risk assessments for ongoing data processing activities. Data security risks and information technology risks have been integrated into the Bank’s comprehensive risk management framework. This enables thorough identification of data security risks at critical junctures, followed by targeted remediation measures. The Bank has completed data security risk assessments and reported the findings to regulators.

Preventing IT system outages	The Bank continuously advances the optimization of its active-active data center layout within the same city. It explores mechanisms for the dynamic allocation of multi-active disaster recovery resources while refining its disaster tolerance strategies and technical approaches. The Bank has conducted multiple cross-month, same-city traffic scheduling and switchover drills. It also continuously improves emergency operation procedures and contingency plans to enhance business continuity and disaster recovery assurance levels.
Preventing cyber attacks	The Bank has established a comprehensive cybersecurity management system. It iteratively upgrades the “One Foundation and Five Platforms” cybersecurity technology protection framework and enriches its cybersecurity incident contingency plans. These plans clearly define preventive measures, emergency response procedures, and mechanisms for information reporting and notification. Furthermore, the Bank has established a coordinated “Security-Operations” response mechanism. By regularly conducting security incident drills, it continuously strengthens its emergency response capabilities for handling security events.
Optimizing reporting processes	The Bank’s policies explicitly define the process for reporting significant matters. When employees observe suspicious incidents related to privacy or information security, they must immediately report them to their center head and department head. Simultaneously, they must employ a dual-line “horizontal + vertical” reporting mechanism to notify both relevant departments and higher-level management, including bank executives.

(III) Professional certifications and audit monitoring

The Bank has obtained certifications for ISO 20000 IT Service Management System, ISO 22301 Business Continuity Management System, ISO 27001 Information Security Management System, and ISO 27701 Privacy Information Management System. It has also achieved Level 4 (Excellent) certification under the Financial Cybersecurity Maturity Model. Concurrently, the Bank has established comprehensive business continuity, cybersecurity, and data security incident response frameworks, complemented by regular

emergency drills and training programs. These initiatives effectively enhance staff preparedness and awareness, ensuring the security of IT infrastructure.

This year, the Head Office’s Audit Department conducted a comprehensive IT risk audit including cybersecurity and data security, continuously enhancing its monitoring role in IT risk management, issue remediation, and cybersecurity and data governance.

The Bank’s ISO 27001 scope covers development, testing, operation, and maintenance activities for the Bank’s and its customers’ information systems (covering over 95% of the Bank’s information systems). The ISO 27701 scope applies to privacy information management activities when acting as a PII Controller and PII Processor during the development, testing, operation, and maintenance of the Bank’s information systems. Both certifications encompass the Head Office, Xi’an R&D Center, Production Center, Local Disaster Recovery Center, and Remote Disaster Recovery Center.

The Bank engages a third-party accounting firm to perform an annual external audit, which includes IT audits covering key control points across IT governance; cybersecurity management; IT project management; system operations and maintenance; system access control; critical system configurations; major IT projects; IT outsourcing management; and IT risk management.

(IV) Data security and privacy protection training

The Bank vigorously advanced the “cybersecurity during critical periods” training in 2025, comprehensively disseminating regulatory requirements, common risks, and risk mitigation measures regarding data security and protection of personal customers’ financial information across the Bank. This initiative aims to enhance personal information protection capabilities.

For employees	The Bank conducts online learning sessions interpreting the People’s Bank of China Business Sector Data Security Management Measures and the People’s Bank of China Business Sector Cybersecurity Incident Reporting Management Measures for all employees. Training on data security management and incident reporting management is provided specifically to data security liaisons and information technology personnel Bank-wide to strengthen compliance with regulatory requirements. Security skills, secure coding, and security emergency response training are delivered to technology personnel. Phishing email drills are conducted irregularly across the entire Bank to enhance overall information security awareness, elevate personnel information security protection skills, and foster a favorable environment where all employees collectively safeguard information security.
For customers	The Bank annually participates in the National FinTech Activity Week and the Cybersecurity Awareness Week. These activities target the general public, especially key groups such as children, the elderly, frontline workers, migrant workers, and rural residents. The focus is on in-depth promotion and education regarding core legislation and policy documents in the data security field, including the Data Security Law and the Personal Information Protection Law,

	alongside knowledge concerning cybersecurity and fraud prevention, aiming to enhance customers' financial security awareness and equip them with practical protection skills..
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IV. Enhancing talent attraction and retention

Talent and employee development is key to our business growth. Adhering to a people-oriented approach, we have put in place a systematic, professional, and diversified talent development framework that ensures employees' rights and interests. We focus on enhancing core competencies at different career stages, continuously improving their capabilities, and we respect and support every employee in realizing their professional goals and value at CZBank.

(I) Human resource management structure

We have continued to strengthen our human resource management structure and system. We have integrated managerial talent development into our Fifth Five-Year Plan. The Board of Directors oversees the appointment, removal, compensation review, and assessment of senior management. Senior management is responsible for implementing human resource strategies and for strengthening the development of managerial talent. Our Human Resources Department coordinates and implements related initiatives.

(II) Talent development strategy

In alignment with our people strategy under our Fifth Five-Year Plan, we maintain internal talent development as our core strategy. We continuously optimize our managerial talent structure through youth-oriented succession planning and talent pipeline development. To this end, we have established the principles for personnel selection and appointment based on integrity and competence, recognition by the workforce, emphasis on demonstrable performance, person-position alignment, and tiered development programs. By applying digital thinking to enhance the foundational infrastructure of human resource management, we aim to create an environment where “we identify, cherish, respect and employ talent”. This strategy establishes a mutually reinforcing talent ecosystem aligned with the Bank’s overarching development strategy.

Trends analysis of human resources	We consistently monitor industry trends and development in human resource management. By integrating human capital and productivity analyses, we identify human resources-related opportunities and adjustments over the short, medium and long term. This enables us to continually refine our human resource planning strategies to maximize its value as the primary driver of growth.
Talent research	With a focus on talent pool building, we conduct ongoing research to assess the current state of our talent pool and uphold an end-to-end talent development strategy. We conduct comprehensive surveys to evaluate the development status of our managerial talent. We have put in place a detailed competency profile of all mid-level management personnel and emphasize enhanced training to strengthen their overall capabilities

Career path optimization	We have put in place a three-phase (three 5-year periods) career plan for critical talent and continued to standardize our mechanisms for campus recruitment and talent development. We have launched specific training programs for key talent at all levels to create clear career advancement pathways. We identify youth talent through bidirectional job rotations and internal open competitions and reinforce self-directed development for managerial talent. We strengthen our specialized talent teams by establishing conversion channels between professional and managerial career tracks, further energizing our workforce.
Key talent cultivation	To consistently enhance our talent development, we have put in place a full-lifecycle management system for key talent. We have continued to improve our key talent pool under the “Double Hundred and Double Thousand” initiative, with targeted development through programs such as the Peking University-CZBank Leadership Empowerment Program, the Fengyun Program, and the Qianlima Program.

1. Comprehensive Protection of Employee Rights

We strictly comply with relevant laws and regulations and ensure timely and full payment of the “five social insurances and one housing fund” for all employees. The coverage rate of work-related injury insurance has reached 100%. Furthermore, we continuously optimize and enhance employee welfare programs, offering diversified benefits such as supplementary medical insurance, corporate pension plans, communication allowances, high-temperature and heating subsidies, meal allowances, and employee health and wellness leave. These initiatives strengthen our organizational cohesion and demonstrate our commitment to employee care. As of the end of 2025, our total workforce⁶ amounted to 25,016 employees (including dispatched workers, outsourced personnel, and staff from affiliates). The demographic composition includes 24,431 Han Chinese employees and 585 ethnic minority employees; 5,738 employees under 30 years old, 17,985 employees aged 31–50, and 1,293 employees over 50 years old. All employees have signed labor contracts (100% contract signing rate), with an internal recruitment ratio of 6.02% for vacant positions. Female employees account for 45.67% of the total workforce, while female representation in middle and senior management positions stands at 15.55%.

Listening to employee voices	We have put in place a regular evaluation mechanism for employee engagement, conducting annual employee engagement surveys to gain in-depth insights into employees’ feedback and suggestions. The survey assesses four key dimensions: alignment with CZBank’s vision and strategic goals, identification with CZBank values and culture, recognition of job value, and satisfaction with the work environment. These insights serve as a critical basis for optimizing management decisions and are integrated into the annual performance evaluation
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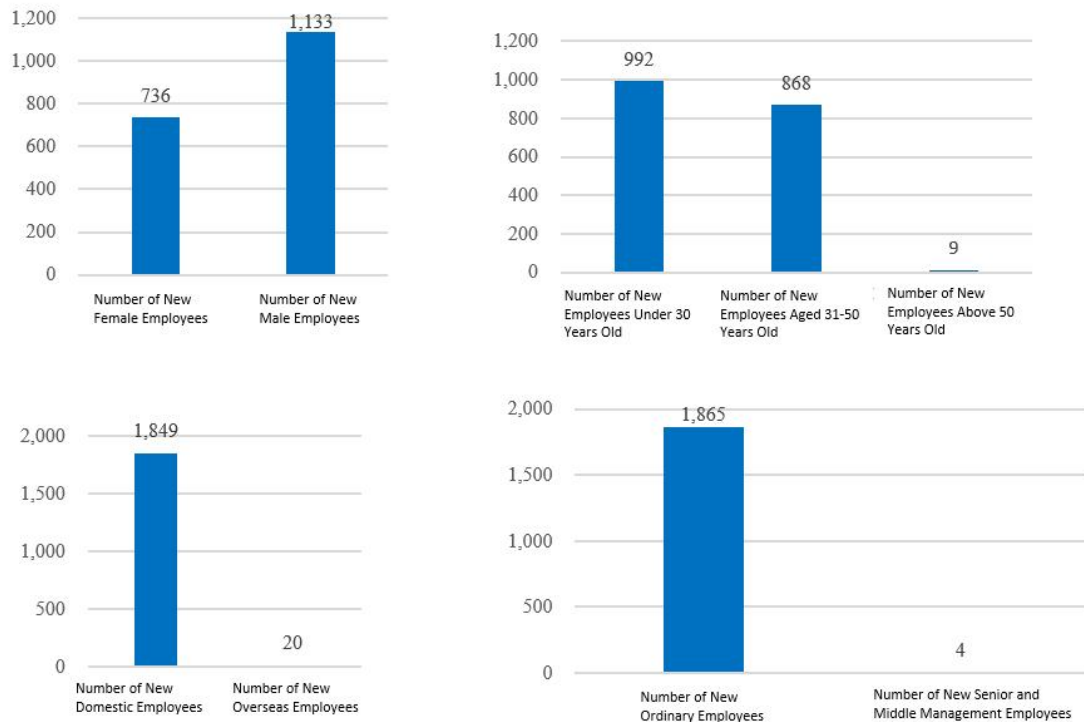
6. Starting from 2025, the scope of employee-related data will be expanded to include the entire Group, encompassing dispatched workers, outsourced personnel, and employees of subsidiaries.

	<p>at each branch. In 2025, the average engagement score across all branches reached 4.38 (on a 5-point scale), reflecting a high level of employee satisfaction with their current work environments.</p>
<p>Addressing employee concerns</p>	<p>We prioritize employee feedback and adhere to the principle of “supporting frontline employees and listening to their voices”. To this end, we have continuously optimized our internal communication platform “Hive Community” (蜂巢社區). The platform supports anonymous registration, allowing employees to participate as “Hive Friends” (蜂友) to contribute ideas. By adopting a socialized communication approach, the platform effectively breaks down hierarchical barriers and departmental silos, enabling frontline concerns to reach senior management directly. Relevant departments promptly respond to and resolve these issues. In 2025, we launched the 4.0 version of the “Hive Community,” achieving 3.75 million annual visits, with an average of over 1,700 daily active users and 873 issues resolved throughout the year. Additionally, we have continually refined our mechanisms for reporting and handling employee concerns, regularly compiling widely discussed topics among staff. Eleven editions of the <i>Hive Community Issue Report</i> have been released, driving solutions to urgent and complex challenges.</p> <div data-bbox="667 1115 1182 1554" data-label="Image"> </div> <p>Figure:Employee-themed activities we conduct through the “Hive Community” platform</p>
<p>Reporting and submitting grievances</p>	<p>We have put in place a grievance submission mechanism, enabling employees to file anonymous reports regarding workplace conduct or well-being matters via disciplinary inspection mailboxes, hotlines, and other reporting channels. Strict confidentiality requirements are enforced for all grievance information and handling processes. Any retaliation or discriminatory actions against complainants are strictly prohibited. Violations will be rigorously investigated and punished in accordance with applicable laws and regulations.</p>

2. Expanding Talent Recruitment and Acquisition Channels

Following an internal talent development approach, we have put in place a robust recruitment system primarily through campus recruitment, supplemented by experienced hires, while leveraging internal mobility to optimize structural balance. This system ensures a robust talent pipeline for the Bank. In 2025, we prioritized the expansion of campus recruitment as the core channel for talent acquisition, with positions available across the Head Office and all 39 branches. A total of 1,869 new employees joined the Bank in 2025.

Diversity among our new hires in 2025



Enhancing employer brand visibility	To broaden outreach and attract high-potential young talent, we have established a comprehensive employer branding network across the Group. A total of 169 in-person campus recruitment sessions and job fairs were conducted, complemented by 2 live-streaming events. This multi-channel approach significantly amplified our brand influence and engaged students through both physical and digital platforms.
Implementing summer internship programs	While advancing our large-scale campus recruitment, we have strengthened strategic talent pipeline development. The third “CZBank Summer Internship Program” was successfully concluded, expanding coverage to multiple branch offices. The initiative secured over 30 high-potential candidates from top-tier universities for the Class of 2026, establishing early talent engagement.
Participating in	We actively engaged in targeted recruitment events organized by the Zhejiang Provincial

targeted recruitment events	State-owned Assets Supervision and Administration Commission (SASAC). This deepened our collaboration with government agencies and diversified our talent acquisition channels. Throughout the year, we participated in 6 major recruitment events in Hangzhou, Shanghai, Beijing, and Hong Kong. Positions offered spanned across campus recruitment, postdoctoral research stations, and business operation roles.
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3. Optimizing Career Development Platform

We have put in place a standardized and systematic management system integrating compensation, benefits, and performance evaluation. The employee evaluation system is performance-oriented, enabling precise assessment through measurable outcomes. Our compensation management emphasizes a balanced approach of incentives and accountability, with performance-based compensation prioritizing high-performing and high-contributing employees. Benefits are designed with inclusiveness as a core principle, reflecting a human-centered approach to employee care. These three pillars—complementing each other with distinct focuses—form an integrated, closed-loop management ecosystem, collectively enhancing their role in managing employees throughout their lifecycle.

Optimizing employee performance evaluation system	We have implemented a “1+N” holistic assessment model to strengthen 360-degree evaluation mechanisms. This model integrates evaluations from direct supervisors, departmental colleagues, cross-departmental collaborators, and subordinate service units. Performance ratings are determined based on assessment scores, with corresponding performance allocations made according to evaluation outcomes. All organizational units conduct assessments on a monthly, semi-annual, and annual basis. Evaluation feedback is delivered through a combination of digital platforms and in-person sessions to ensure transparent and systematic implementation.
Enhancing career development pathways	We have put in place a comprehensive career progression system that respects and supports individual professional growth. The dual-track system comprises: Management Track (leadership roles) and Technical/Professional Track (specialist roles). This “H-shaped” development framework enables flexible transitions between management and technical positions, significantly broadening career advancement opportunities for employees.
Strengthening key talent development	We have strengthened our talent development and pipeline building by implementing the “CZ Star Program” and providing entry-level positions in grassroots roles for university graduates. This initiative enables new employees to rapidly adapt to our corporate culture, gain a better understanding of our products and business processes, and lay a solid foundation for their subsequent career development. Employees are systematically integrated into our talent pool under the “Double Hundred and Double Thousand” initiative according to their hierarchical levels, while simultaneously participating in various development programs including exchange learning, rotational assignments, and internal

	open competitions. These initiatives effectively support employee career advancement and professional growth.
Supporting continuous learning	We encourage employees to continuously enhance their professional competencies, support all staff in obtaining external professional qualifications, and promote participation in systematic learning programs covering professional knowledge, technical skills, and academic education. We actively solicit feedback regarding the list of external certifications and consistently expand the scope of subsidies available to employees pursuing such credentials. In 2025, we provided examination fee incentives for employees who successfully obtain any of 133 designated professional certificates, including but not limited to the Qualification Certificate for Banking Professionals, Chinese Certified Public Accountant (CPA), Chartered Financial Analyst (CFA), Association of Chartered Certified Accountants (ACCA), Financial Risk Manager (FRM), Certified International Investment Analyst (CIIA), Legal Profession Qualification Certificate, Certified Anti-Money Laundering Specialist (CAMS), and TOGAF Certified Architect.

4. Deepening Training System Development

Guided by our overall strategic objectives and led by Party building initiatives, we have continuously strengthened our “1234” full lifecycle training system, prioritizing internal talent development. Through AI-driven digital empowerment, we have deepened talent pipeline training, advanced instructor-led course system development, innovated training content and delivery formats, and optimized training line management to comprehensively enhance training effectiveness. As of 31 December 2025, we conducted a total of 3,151 training sessions, representing a 94.99% year-over-year increase. A cumulative 107,100 participants attended various exams throughout the year, reflecting a 72.54% year-over-year growth. These initiatives have provided strong impetus for our talent pipeline construction and high-quality business development.

Strengthening key talent pipeline development	<ul style="list-style-type: none"> Targeting critical talent groups such as campus-recruited graduates, high-potential employees with 2–4 years of experience, and mid-level managers, we have put in place a full-cycle development program combining <i>centralized training (theoretical learning)</i>, <i>on-the-job practice (practical application)</i>, and <i>continuous tracking (outcome evaluation)</i>. Tailored tiered development initiatives are designed for different career stages, enabling employees to enhance learning effectiveness through the integration of theory and practice. Partnering with renowned institutions such as Peking University, we have expanded leadership training programs by inviting national strategy-level think tank experts and distinguished professors from Peking University and the Central Party School. In 2025, the first session of executive leadership enhancement training was successfully
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	<p>conducted, receiving positive feedback from participants and instructors alike.</p>
<p>Advancing internal trainer development</p>	<ul style="list-style-type: none"> • To achieve the integration of trainers and courses, we have deepened our internal trainer development through initiatives like the “Good Courses and Good Teachers” competition. In 2025, we upgraded the competition, achieving 128 certified head office-level trainers, 57 certified head office-level courses, 30 premium courses, and 20 premium intelligent training modules. • By revising internal trainer management policies, we have strengthened the selection, evaluation, and incentive structures for trainers, ensuring seamless alignment between head office and branch-level trainer frameworks. Through selection and training, as well as empowerment programs and long-term incentives, we have significantly expanded our tiered professional internal trainer team. As of the end of 2025, the total number of certified internal trainers reached 800, an increase of 128 compared to the previous year.
<p>Upgrading the “CZBank Cloud” platform</p>	<ul style="list-style-type: none"> • To leverage relevant technologies, we have accelerated our training platform iteration and upgraded our “CZBank Cloud” platform as the primary hub for employee learning, to enhance training efficiency, user experience, and cost-effectiveness. As of the end of 2025, the platform achieved 121,500 monthly active users and approximately 4,100 daily active users, with an average of 37.98 hours of online training per employee. We organized online training programs to ensure professional development for critical roles and enhance employees’ professional competence. As of the end of 2025, we conducted 140 examinations, delivered 262 online and live-streamed training sessions, and trained 551,200 participants. • We have continued to build and maintain a high-quality, demand-aligned online resource library. We have developed specialized learning hubs such as the “Intelligent Operations Pioneer Growth Camp”, “SME Cloud Classroom”, “Wealth Management Express”, “Credit Card Hub”, and “Operational Micro-Classroom”.
<p>Building AI capabilities</p>	<ul style="list-style-type: none"> • To cultivate employees’ AI mindset and practical skills, we have integrated AI-themed training into our specialized and online training programs. In July 2025, we conducted AI-focused training for department and branch leaders and achieved full online training coverage for all employees. The “DeepSeek-Enabling the Future Learning Hub” was launched on the “CZBank Cloud” platform. As of the end of 2025, we offered 10 AI application courses, with over 4,000 participants. We also delivered tailored training such as “DeepSeek for Efficient Office Work”, AI Agent competitions, and AI-driven dual-track programs, promoting AI literacy and deep integration into business operations across the organization.

5. Strengthening Employee Engagement and Cohesion

We have implemented innovative initiatives to advance the “Five Musts and Five Mustn’ts” principles of promoting Chinese-style culture in financial services. We have accelerated the “CZBank Reading Pavilion” program and successfully delivered the “CZBank Cultural Week” event with high quality. To address the diverse spiritual and cultural needs of our employees, we have carefully planned and implemented a series of cultural and recreational activities. These efforts have provided extra cultural experiences, fostered a shared cultural vision, and built collective momentum for progress.

- To build our “CZBank Reading Pavilion” brand, we have developed a distinctive Literary Development Model (1+N+X), to promote a thriving reading culture across the organization. Under this model, we conduct diverse activities, including book recommendations, cultural salons, and reading live-streaming sessions. Each branch tailors its approach to establish a CZBank Reading Pavilion and a CZBank Book Club unique to local contexts. With these initiatives, we have created a strong culture of collective reading and learning across the Bank.



- We held the “818 CZBank Cultural Week” event, which centered on five pillars: Reading, Compliance, Happy Family, FinTech, and Financial Literacy. The hybrid online-and-offline format featured a diverse range of engaging activities to foster a vibrant organizational culture.



- We launched the “CZBank Fun Walk” activity themed “Embracing the Bank as Our Home and Taking Pride in It”, with an aim to promote green and healthy lifestyles. Over 1,600 participants, including Head Office staff and their families, joined the event.



- We piloted the “Voice Journey 2025: Care for Your Children Summer Camp”, offering a safe and enriching summer experience for the children of our employees through dedicated mentorship and professionally designed curricula.



(III) Human resource risk management

In 2025, we employed over 20,000 staff. However, campus hires as a proportion in the total employees remained relatively low, indicating a lack of internal talent development. The managerial structure has become increasingly aged, with insufficient systematic and long-term planning for cultivating younger managerial personnel. As a result, a virtuous cycle of “positioning lower-level roles as a talent pipeline for higher-level positions” has not yet been established.

To better harness the potential of our talent and uphold our “talent-driven strategy”, we have put in place leadership development programs across all levels, covering key business personnel and junior, mid-level, and senior managers. Our “Good Courses and Good Teachers” competition is designed to expand our internal training faculty and enhance their coaching capabilities. We prioritize new employee training by establishing a dynamic training mechanism that ensures “training commences upon onboarding”. We have strengthened our talent development system, updating and refining our talent pool under the “Double Hundred and Double Thousand” initiative. We have put in place three five-year growth plans for talent development, tailoring backup talent cultivation programs to the competency requirements at each level. We have accelerated the development and promotion of younger managerial personnel through initiatives such as two-way job exchanges, short-term learning assignments, and field deployment programs (派駐幫扶). In this way, we are optimizing our managerial structure using a bottom-up approach. We have also expedited the development of younger employees by encouraging promotion of high-potential young talent to managerial roles, while

standardizing our university graduate development system at the branch level and establishing an accelerated growth pathway for new hires.

(IV) Human resource targets and metrics

We have put in place an employee engagement assessment mechanism. We conduct annual employee engagement surveys as a key approach to optimize management decisions. Furthermore, the assessment results are incorporated into the annual comprehensive performance evaluation at each branch. In 2025, we achieved an employee attrition rate of 4.32%, representing a decrease compared to the prior year. Meanwhile, we received an overall employee satisfaction score of 4.38 (on a 5-point scale), reflecting a slight improvement from the previous year.

V. Enhancing social contribution

In alignment with the requirements of the Zhejiang Provincial Party Committee and Provincial Government for the “Good Deeds Zhejiang” initiative, we actively fulfill our social responsibilities through long-term sustainable philanthropy initiatives. Our ESG commitment focuses on key areas including common prosperity, rural revitalization, industrial assistance, educational philanthropy, and volunteer services, creating positive social impact across over 30 provinces nationwide. In 2025, we were awarded the 8th “Zhejiang Charity Award” by the Zhejiang Provincial Government for our sustained contributions and outstanding achievements in the field of philanthropy and charitable activities.

(I) Philanthropy and public welfare initiatives

We leverage the synergy of “finance + philanthropy” to demonstrate the humanity of financial services. Through our branches and employee volunteer teams, we actively support vulnerable communities and contribute to social welfare initiatives, fostering inclusive growth.



Figure: The “CZBank Charity” logo

Strengthening the “One Bank for One School” educational support program

We consider the “One Bank for One School” initiative as a cornerstone of our social responsibility efforts. By encouraging local branches to address educational needs in their regions, we channel financial resources into rural education through sustainable, targeted support mechanisms. This approach creates enhanced growth platforms for primary school students and educators in underserved areas, ensuring the enduring impact of educational philanthropy. As of the end of 2025, we have established partnerships with 33 schools in mountainous and island counties across Zhejiang Province, as well as in Guizhou, Sichuan, and Gansu. Through innovative approaches tailored to rural education, we have organized short-term teaching programs, educational summer camps, and other distinctive activities. With cumulative investments exceeding RMB49 million, we have comprehensively improved campus environments, teaching quality, and student well-being, benefiting over 10,000 students.



Figure: Our “One Bank for One School” summer camp program



Figure: CZBank staff on a short-term teaching assistance program at Guili Village Primary School in Lankao County



Figure: CZBank Shanghai Branch inaugurates a charity library and donates books to Xunzhai Town Central Primary School in Yongjia, Wenzhou



Figure: CZBank Hefei Branch conducts an eye care public welfare campaign at Chashui Central Primary School

Building the “CZBank Support for PLA” brand

As a responsible financial institution, we are dedicated to enhancing societal awareness of military support and have consistently implemented the “CZBank Support for PLA” initiative to foster a culture where everyone understands, supports, and participates in military-related endeavors. Since establishing our first community-level “Red CZBank” civilian-military collaboration studio in December 2022, we have expanded this model to 37 branches nationwide, creating specialized military support studios that provide comprehensive financial services to active and retired military personnel and their families. These studios have become a “warm community” for many veterans in local areas. Our military support initiatives have not only been featured in the *Zhejiang Daily* but also recognized with the prestigious title of “Model Unit for Patriotic Military Support in Zhejiang Province”.



Figure: CZBank receives the “Zhejiang Provincial Model Organization for Patriotism and Military Support” award



Figure: CZBank Hangzhou Branch hosts a basketball friendship match with military units in celebration of Army Day

(II) Commitment to targeted support and rural revitalization

In 2025, CZBank fully implemented President Xi Jinping’s important instructions on consolidating and expanding the achievements of poverty alleviation, as well as his significant speech during his inspection of Zhejiang Province. In accordance with the decisions and plans of the CPC Central Committee, the State Council, and the provincial and municipal Party committees and governments, we leveraged the “Thousand Villages Demonstration and Ten Thousand Villages Renovation” project to drive urban-rural integration and narrow the “three major gaps” (regional, urban-rural, and income disparities), while advancing rural revitalization to support the realization of common prosperity.

Guided by documents such as the “Notice from the Rural Work Leading Group of the Zhejiang Provincial Party Committee on Issuing the ‘List of Paired Assistance for Mountainous and Island Counties in Zhejiang Province’ and the ‘2025 Task List for Paired Assistance for Mountainous and Island Counties in Zhejiang Province’”, we clearly defined our role as a member unit of the paired assistance team for Longyou County in Quzhou City and Suichang County in Lishui City. Throughout the year, we deepened strategic cooperation with Longyou and Suichang counties, implementing a range of initiatives including the completion of five-village assistance in Longyou, paired support for Linggen Village, educational public welfare projects in

Suichang, the establishment of “common prosperity workshops”, live-streaming for cultural tourism promotion, medical consultations, surveys of small and micro industrial parks and enterprises, and the sale of agricultural by-products. We also made significant progress in eastern-western collaboration, particularly in the areas of industry development, collective income growth, and improvement of people’s livelihood, achieving phased results. As of the end of 2025, we had cumulatively invested over RMB 36 million in support initiatives, creating employment opportunities for nearly 400 local residents.

Case: CZBank collaborates on agricultural assistance live streaming event

On 3 April 2025, we, in partnership with Luojia Town Government of Longyou County and the County Bureau of Agriculture and Rural Affairs, successfully hosted the “Enriching Rural Communities Through Yellow Tea” Shared Prosperity Live Streaming Event and Rural Goods Fair. The 2-hour live session achieved significant social impact, attracting nearly 400,000 viewers, receiving over 1 million likes, and generating close to 20,000 comments.



Figure: CZBank staff on a joint “Shared Prosperity” livestreaming event in Xijia Village of Luojia Township, Longyou

(III) Commitment to volunteer services

In 2025, the Communist Youth League Committee of CZBank meticulously planned and organized a series of distinctive, impactful youth volunteer activities, consistently reinforcing our “Upright and Benevolent” corporate culture and demonstrating the social responsibility of our youth workforce. The Head Office Youth League Committee actively responded to the higher-level initiative of “Zhejiang Youth · Lei Feng Volunteer Activities”, launching the “Finance for Good” Lei Feng volunteer service campaign, which extended across all subordinate Youth League organizations. Grassroots Youth League committees, guided by the theme of “League Building + Public Welfare”, implemented localized and distinctive community service initiatives tailored to regional contexts.

In 2025, a total of 4,618 volunteers were registered across the Bank (an increase of 127 new volunteers). A cumulative 313 volunteer events were conducted, with 1,741 participants contributing a total of 4,998 service hours.

Case: CZBank Hangzhou Branch Party Member Vanguard Team supports college entrance exams

On 7 June 2025, the annual college entrance exams commenced as scheduled. During this pivotal moment for youth aspirations, our Hangzhou Branch Party Member Vanguard Team launched a comprehensive action plan through a “1+10+100” initiative: one emergency support fleet, ten Exam Support Stations, and 100 Party Member Vanguard Posts. This effort fully engaged the branch in this public welfare campaign, providing dedicated support to students.



Figure: CZBank Hangzhou Branch establishes a Love Fleet to support students taking the college entrance exams

Case: CZBank Fuzhou Branch launches the “Employee Good Deeds · Rainbow Plan” initiative

In 2025, our Fuzhou Branch introduced the “Employee Good Deeds · Rainbow Plan”, a public welfare program centered on seven themes: *Red Dedication* (sincere contributions), *Orange Future* (future-building), *Golden Enlightenment* (financial education), *Green Vitality* (ecological protection), *Blue Sky Guardianship* (environmental stewardship), *Cercis chinensis Care* (community warmth), and *Vibrant Youth* (youth empowerment). Activities included “Life Protection” first aid training, blood donation, military support, financial literacy campaigns on fraud prevention and anti-money laundering, and initiatives like “Warm Zhejiang · Happy Retirement” for elderly care. These efforts vividly demonstrated our commitment as a responsible financial institution.



Figure: CZBank Fuzhou Branch volunteers conduct the “Guarding the Same Blue Sky” public welfare activity.

Case: Youth energy for the National Games – CZBank Guangzhou Branch volunteers for the 15th National Games

In 2025, the 15th National Games were held in Guangzhou. CZBank Guangzhou Branch launched its National Games volunteer program, organizing a “National Games KTV” themed event on November 9 at the Dayuanshuaiifu Urban Volunteer Service Station in Haizhu District. By integrating *sports, culture, and*

volunteerism, the initiative ignited public enthusiasm for the National Games.



Figure: CZBank Guangzhou Branch initiates volunteer service programs for the 15th National Games

(IV) Promoting financial literacy

In response to the calls from regulatory authorities and industry self-regulatory associations, we actively uphold the mission of “Promoting Ethical Finance and Serving the People through Consumer Protection”. Throughout the year, we organized over 5,600 concentrated educational and promotional campaigns, including “March 15 Consumer Rights Day”, “May 15 Financial Literacy Day”, “September 15 Financial Inclusion Day”, “Month of Awareness on Illegal Financial Activities”, and “Financial Literacy Campaign Across the Nation”, reaching nearly 140 million consumers.

1. Innovative Consumer Protection Awareness Campaigns

<p>Conducting specialized consumer protection activities</p>	<p>In alignment with our “One Bank for One School” program, we have continued to organize diverse youth financial literacy initiatives, including the “Campus Safety Initiative through Collaboration between Schools, Police, and Banks”, “Financial Knowledge for the New School Year”, and “Financial Literacy Outreach in Zhejiang”. These efforts focus on promoting financial awareness among students in rural areas. Recognizing the challenges of limited resources in remote rural schools, we have innovatively launched the “Junior Financial Volunteers” program, exploring new models of integrating financial education with rural schooling. This initiative empowers young people in rural communities to enhance their financial literacy, develop healthy consumption habits, and cultivate responsible attitudes toward money. In 2025, two of our initiatives were honored as “Outstanding Cases in Financial Consumer Protection and Service Innovation” by the China Financial Media Awards: <i>Hand-in-Hand with Junior Financial Volunteers to Promote Financial Education in Remote Mountainous Areas</i> and <i>Creating Age-Friendly Service Models through “Five-Heart” Elder-Focused Financial Services</i>.</p>
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	 <p data-bbox="384 645 1430 719">Figure: CZBank partners with “Junior Financial Volunteers” to advance financial education in remote communities.</p>
<p data-bbox="177 831 362 1043">Building an online consumer protection communication platform</p>	<p data-bbox="384 763 1430 1111">We actively participated in the China National Radio “Financial Education Week” special interview and hosted the live-streamed “CZBank Consumer Protection · Anti-Fraud Lab” session. Targeting high-risk areas such as campuses, county regions, and communities, we invited university students, village-based officials, and police officers—actual anti-fraud practitioners and survivors—to deliver in-depth analyses of common scams. The event attracted 151,000 viewers and received 559,000 likes. Ten branches in Beijing, Xi’an, and other cities, along with the “Retail Special Forces” team, conducted 18 specialized live-streamed financial education sessions through video platforms, reaching over 420,000 people.</p>
<p data-bbox="177 1263 362 1476">Creating high-quality original consumer protection content</p>	<p data-bbox="384 1149 1430 1585">We continuously foster innovation in financial education, leveraging impactful original content to strengthen public awareness and safety. We include hot topics to enhance educational effectiveness, and truly bring financial knowledge to life. In 2025, the Bank and its branches integrated consumer protection messaging into new contexts, producing diverse and engaging educational materials to enhance public financial knowledge and risk prevention skills. At the 5th National “Protect Your Wallet, Safeguard Your Family” Anti-Illegal Financial Activities Short Video Competition, four original works (<i>Dance Floor Deception</i>; <i>Rebirth: Fraud in the Entertainment Industry</i> (from Hangzhou Branch); <i>Fraud Training Camp</i> (from Guangzhou Branch); <i>Anti-Fraud: Let’s Stay Alert Together</i> (from Taiyuan Branch)) from our branches received five awards, including “Outstanding Works” and “Best Dissemination Awards”.</p>

2. Institutionalized Consumer Education

We have integrated financial consumer education and outreach into our institutionalized operational framework, prioritizing key demographics such as teenagers, university students, new urban residents, individuals with disabilities, elderly populations, and residents in remote areas. We proactively promote financial literacy through targeted initiatives and customized programs tailored to these groups.

<p data-bbox="177 1868 362 1942">For teenagers: Promoting the</p>	<p data-bbox="384 1868 1430 1942">We continue to strengthen our “Warm Rest Stop” initiative and have established sustained partnerships with local youth activity centers, neighboring communities, and educational</p>
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<p>inclusion of financial literacy courses in the national education system</p>	<p>institutions. Our branches are designed as “second classrooms” for financial education, offering on-site experiential programs like “Junior Bankers” for children and students. Leveraging our “One Bank for One School” program and collaboration with communities and schools, we deliver public educational sessions on financial knowledge and payment security directly in schools.</p> <ul style="list-style-type: none"> • In Hangzhou: Over three consecutive semesters, we conducted the “Financial Literacy Outreach in Zhejiang” campaign, providing foundational financial education to first-year junior high students, including topics such as banking history, core services, and common fraud schemes. Under the guidance of the Hangzhou Youth Work Committee, we have established the “Hangzhou Red Scarf Merit Badge Base”, launching a “Financial Literacy Second Classroom” public welfare program for elementary students. The Chengdong Sub-branch became the first financial institution in Hangzhou to receive this designation. • In Lanzhou: In collaboration with local communities, we organized the “Junior Bankers: A New Financial Exploration Experience” series, inviting over 70 youth participants to explore banking operations through on-site visits to our branches. • In Taiyuan: At the designated school under our “One Bank for One School” program, we implemented the “Financial Literacy Nurtures Young Minds: Growing Together in Zhejiang” initiative. Combining classroom instruction with interactive games, this dual-approach program has enhanced children’s financial safety awareness in an engaging manner.
<p>For university students: Strengthening rational consumption awareness</p>	<p>Focusing on themes such as avoiding illegal campus loans and preventing campus-related fraud, we have created multiple original short videos including “Youth Without Debt, Campus Life Unburdened”, “The Confession of Mr. Hao”, and “Common Job-Seeking Scams You Should Know”, to deeply embed financial literacy into students’ minds.</p> <ul style="list-style-type: none"> • We conducted a themed live-streaming event titled “CZBank Consumer Protection · Anti-Fraud Lab,” employing a format of “interactive experiments + scenario reenactments + case-based risk warnings”. Realistic fraud scenarios in campus settings were simulated, with university students and other anti-fraud survivors invited to provide in-depth analyses of common scams. • In Shenyang, we partnered with Shenyang University to deliver financial knowledge and anti-fraud awareness through brochures, group presentations, and interactive Q&A sessions in student canteens and dormitory areas. • In Zhengzhou, we visited Zhengzhou University of Economics and Trade to educate newly enrolled students on avoiding illegal financial activities, illegal campus loans, personal information protection, and rational consumption, safeguarding their legitimate rights and

	interests.
For new urban residents: Delivering precision financial education	<ul style="list-style-type: none"> • In Hangzhou, we collaborated with the Hangzhou Anti-Fraud Center to launch an innovative “Anti-Fraud Night Market”, hosting the “Exploring Wushan Night Market, Learning Anti-Fraud Knowledge” campaign. Through engaging interactive activities, we integrated anti-fraud knowledge into everyday scenarios, enhancing public participation. • In Jiaxing, we co-created a radio program with Jiaxing Radio FM104.1 to share professional foreign exchange knowledge and explain cases of illegal cross-border financial activities. • In Suzhou, we conducted on-site sessions at semiconductor, smart technology, and business service enterprises to explain standardized marketing practices, financial product suitability, and identification of illegal “gray/black industries”.
For people with disabilities: Delivering warm, accessible financial services	<ul style="list-style-type: none"> • In Beijing, our staff used carefully designed infographics and intuitive videos to explain typical cases such as “Preventing Illegal Fund Raising” in simple, easy-to-understand language for individuals with disabilities, earning recognition as a “Caring Organization for People with Disabilities” in Dongcheng District. • In Hangzhou, under the guidance of the Zhejiang Branch of the People’s Bank of China, we collaborated with Zhejiang University’s Key Laboratory of Accessible Perception and Intelligent Systems to develop a “Deposit Insurance Handbook (Braille Edition),” addressing the challenges faced by visually impaired individuals in accessing financial knowledge. We also partnered with the Zhejiang Provincial Federation of the Disabled for the “AI for an Accessible Future” campaign, delivering an engaging financial literacy session to people with disabilities and strengthening financial security defenses. • In Suzhou, we visited WuZhong District Special Education School to conduct the “Together, Build a Shared Future” public welfare activity, helping special needs children understand basic financial concepts and build anti-fraud awareness.
For the elderly: Strengthening anti-fraud safety defences	<ul style="list-style-type: none"> • In Jiaxing, we have established a strategic collaboration with the Jiaxing Municipal Committee for Retired Cadres to co-develop the “Silver Age Communities in Zhejiang” program, providing more precise and comprehensive financial anti-fraud education tailored to seniors. • In Wenzhou, we partnered with the local Senior University to create the “Monthly Lecture Hall” volunteer brand, forming a “financial education + community service” synergy model. Through traditional festival craft workshops and other activities, we deliver regular financial literacy sessions to the elderly. • In Qingdao, we collaborated with the Laoshan District Financial Office and Public Security Bureau to conduct continuous anti-fraud campaigns in communities, focusing on elderly populations through both online and offline initiatives, reaching over 5 million people

	cumulatively.
For remote and underserved communities: Bridging the final mile of financial education	<ul style="list-style-type: none"> • Leveraging the “1+N” collaborative promotion model of financial advisors, we strengthened partnerships with government departments (e.g., public security bureaus, retired cadres bureaus) and external institutions (e.g., securities firms, futures companies, law firms). We conducted more than 600 anti-fraud and anti-illegal financial activity campaigns in county schools, industrial parks, and rural communities, reaching over 10 million people annually. • With a focus on social welfare, we have created original, engaging comics to represent “Ten Common Telecom Fraud Scams” and “Five Typical Illegal Financial Activities”, comprehensively protecting residents’ assets. These efforts fostered a trustworthy consumption environment and effectively bridged the final mile in anti-fraud and anti-illegal financial activity initiatives.

Case: Joining the “Silver Age Communities” initiative to bridge financial knowledge gaps for senior citizens

CZBank Jiaxing Branch focuses on high-frequency financial service scenarios for the silver-haired population. Through a strategic cooperation agreement with Jiaxing Municipal Bureau of Cadres of All Ages, the branch actively advances the “Silver Age Communities” initiative. By delivering over 20 sessions of Silver-Aged Garden Parties, Silver-Aged Markets, and Ideological & Political Study Tours, we have integrated financial fraud prevention knowledge into interactive activities. This approach emphasizes enhancing financial literacy and fraud awareness among seniors while establishing a solid defense for community safety.



Figure: CZBank Jiaxing Sci-Tech Sub-branch hosts a “Financial Knowledge Garden Party”

Case: CZBank Fun Walk—Innovative Financial Literacy Campaign

CZBank Qingdao Branch launched an innovative financial literacy campaign combining a fun walk with educational activities. Through thoughtfully planned walking routes and themed zones such as the “Financial Knowledge Game Area” and “Financial Consumer Protection Energy Station,” participants enjoyed both physical activity and learned about fraud prevention in an engaging, interactive format. The event attracted over 1,000 citizens, with staff providing on-site consultations more than 1,500 times and distributing over 3,000 informational brochures.



Figure: CZBank Qingdao Branch conducts a financial literacy fun walk campaign

VI. Promoting sustainable procurement

We attach great importance to the environmental and social impacts of our supply chain and value chain. While strictly adhering to relevant laws, regulations and standards in procurement activities, we strive to procure materials, goods and services through environmentally sustainable, ethically responsible and socially responsible approaches.

(I) ESG management across supply chain

In 2025, we continued to deepen our supply chain management in centralized procurement areas. Through our internal frameworks such as *CZBank Supply Chain Management Policy for Centralized Procurement (Trial)* and *CZBank Implementation Rules for Inquiry and Complaint Management in Centralized Procurement*, we ensure the legitimate rights and interests of suppliers are protected and maintain fairness and impartiality in our procurement practices. Furthermore, we have integrated the concept of green procurement into our centralized procurement systems. Through refined management approaches, we have strengthened risk prevention across our supply chain and further advanced our sustainability strategy.

Determining contractual obligations	For every procurement transaction, we require the supplier to sign the <i>Supplier Integrity and Performance Commitment Letter</i> , explicitly outlining the responsibilities for non-compliance with commitment terms.
Enhancing risk identification and assessment	Leveraging digital and intelligent tools, we rigorously screen supplier relationships to proactively prevent misconduct, bid-rigging, and collusive bidding risks in the supply chain.
Facilitating information sharing	We actively participate in the construction of a supplier misconduct database in the financial services sector, facilitating information sharing on supplier misconduct to effectively mitigate and prevent procurement-related risks in the supply chain.
Deepening evaluation	We have put in place a comprehensive supplier evaluation system, combining performance assessments, reverse evaluations, and annual reviews. Suppliers with misconduct or failing

mechanisms	evaluations are promptly addressed to standardize supplier performance.
Promoting green procurement	While ensuring product risk control and functional availability, we prioritize the procurement of energy-efficient and environmentally friendly products. Environmental and social responsibility criteria are integrated into procurement documents, with preference given to suppliers emphasizing environmental protection and sustainable development under equal quality and service standards. We also actively promote energy conservation, environmental protection, and social responsibility principles among suppliers.
Advancing “CZBank Ethics Standard (浙銀善標)”	We proactively apply the “CZBank Ethics Standard (浙銀善標)” framework, guiding potential suppliers to align with these principles during project sourcing and evaluation. Preference is given to partners demonstrating ethics-oriented values in our procurement processes.

(II) Equal treatment of Small and Medium-sized Enterprises (SMEs)

In 2025, we continued to actively align with relevant regulations and policy guidelines, fulfilling our social responsibility to optimize the business environment. We ensured equal treatment of SMEs and actively promoted fair market competition throughout the year. Notably, there were no instances of concerns or complaints raised by SMEs related to delayed payment of dues during the reporting period.

Accurately determining supplier types	To align with national policies for optimizing the business environment and promoting the development of SMEs, we have integrated the principle of equitable treatment of SMEs into our centralized procurement framework and routine management standards to ensure its implementation in every procurement project. When registering suppliers for centralized procurement, we accurately classify them (large, medium, small, and micro) in accordance with the SME classification standards approved by the State Council. This ensures that all SMEs can participate equitably in our centralized procurement activities and provides a solid foundation for our development of subsequent support policies for SMEs.
Eliminating competitive barriers	To guarantee fair participation of SMEs in our centralized procurement activities, we rigorously review procurement documents against the <i>Negative List for Fair Competition Review in Procurement Documents (Trial)</i> and local fair competition regulations governing bidding activities. Discriminatory clauses—particularly those imposing unreasonable barriers based on enterprise size or registered capital—are systematically eliminated. By actively fulfilling our responsibility in building a unified national market, we support the standardization of the bidding sector and foster a fair, transparent, stable, and predictable environment for all market entities to invest and thrive.

Sustainability Indicators

I. Governance Performance

(I) Corporate Governance

Indicator	Unit	2025	2024	2023
Total number of board members	No.	11	12	14
Number of executive directors	No.	2	3	4
Number of independent directors	No.	5	5	5
Number of non-executive directors	No.	4	4	5
Number of female directors	No.	1	1	2
Number of non-executive directors with industry experience	No.	9	5	4
Average tenure of board members	Years	4.95	3.83	5.93
Number of board meetings	No.	13	14	11
Average board meeting attendance	%	99.33	95.88	94.32
Minimum attendance requirements for board meetings	%	50	50	50
Number of ESG related issues reviewed by the Board	No.	7	8	7
Number of training sessions	No.	3	4	3
Number of shareholders' meetings ⁷	No.	3	2	2

(II) Risk Management

Indicator	Unit	2025	2024	2023
Number of risk management training sessions	No.	28	29	34
Number of participants in risk management training	No.	About 6,000	About 6,000	About 6,000

(III) Internal Audit

⁷Including annual general meeting and extraordinary general meeting.

Indicator	Unit	2025	2024	2023
Number of internal audit projects	No.	299	468	591
Number of information technology projects and related audit projects	No.	8	18	17

(IV) Business Ethics and Anti-Corruption

Indicator	Unit	2025	2024	2023
Number of anti-corruption and integrity training sessions	No.	287	297	217
Anti-corruption and integrity training coverage	No.	36,935	32,048	46,856
Number of pre appointment integrity interviews with management personnel	No.	610	760	790

(V) Anti-money Laundering

Indicator	Unit	2025	2024	2023
Number of anti-money laundering training	No.	1,353	1,107	1,032
Number of employees covered by anti-money laundering training	No.	104,031	85,844	73,772

II. Economic Performance⁸

Indicator	Unit	2025	2024	2023
Total assets	RMB billion	3,481.092	3,325.539	3,143.879
Total loans and advances to customers	RMB billion	1,922.711	1,857.116	1,716.240
Total liabilities	RMB billion	3,273.757	3,122.796	2,954.302
Customer deposits	RMB billion	2,043.466	1,922.289	1,868.659
Operating income	RMB	62.558	67.650	63.704

8.The statistical basis for economic performance is the consolidated data of the Bank and its subsidiaries. For total tax pad, the statistical basis is the consolidated data of the Bank and its subsidiaries operating within Mainland China (excluding Hong Kong).

	billion			
Profit before tax	RMB billion	16.129	17.579	17.492
Profit after tax	RMB billion	13.561	15.693	15.493
Total tax paid	RMB billion	8.865	10.442	10.995
Capital adequacy ratio	%	12.12	12.61	12.19
NPL ratio	%	1.36	1.38	1.44
Provision coverage ratio	%	155.37	178.67	182.60
Balance of national standard SME loans	RMB billion	459.963	457.399	405.386
Balance of inclusive loans to key areas	RMB billion	358.198	357.129	/
Balance of broader agricultural loans	RMB billion	175.300	170.099	/
Balance of inclusive agricultural loans	RMB billion	48.169	45.240	/
Total amount of financing services in Zhejiang Province	RMB billion	1,175.518	1,020.500	921.689
Balance of supply chain financing	RMB billion	169.392	166.642	166.082
Total number of personal pension accounts opened	No.	303,900	285,300	193,500

III. Environmental Performance

(I) Green Operation

Indicator	Unit	2025	2024	2023
Outlet new smart machine coverage	%	100	100	100
Number of electronic banking transactions	No.	922,056,200	806,323,100	452,152.800

Number of online banking transactions	No.	770,923,600	673,974,600	332,532,100
Number of telephone banking transactions	No.	37,100	67,100	80,200
Number of mobile banking transactions	No.	148,652,600	129,726,900	116,875,300
Rate of e-banking substitution	%	99.92	99.91	99.85
Electronic banking transaction volume	RMB billion	11,668.699	14,004.192	21,211,656
Online banking transaction volume	RMB billion	10,804.227	12,977,893	20,251,436
Mobile banking transaction volume	RMB billion	858.025	1,019.332	952.328

(II) Greenhouse Gas Emissions and Energy Consumption

Indicator	Unit	2025	2024	2023
Total GHG emissions (Scope 1 and 2)	Tons of CO ₂ equivalent	56,231.50	56,321.26	56,412.70
GHG emissions (Scope 1) ⁹	Tons of CO ₂ equivalent	3,216.72	3,463.80	3,586.64
GHG emissions (Scope 2) ¹⁰	Tons of CO ₂ equivalent	53,014.78	52,857.46	52,826.06
GHG emission intensity (Scope 1)	Tons of CO ₂	0.07	0.07	0.07

9.The Bank's GHG emissions (Scope 1) originate from fixed source and mobile source emissions. Among them, fixed source emissions include GHG emissions generated from natural gas and diesel consumption, and mobile source emissions include greenhouse gas emissions generated from gasoline consumption of vehicles. The statistical scope includes the headquarters and domestic branches of CZBank. The calculations reference the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)* issued by the State Administration for Market Regulation and the *Standardization Administration of China, the Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* by the National Development and Reform Commission, the *2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 Refinement)*, and the *IPCC Sixth Assessment Report (AR6)* by the Intergovernmental Panel on Climate Change (IPCC).

10.The Bank's GHG emissions (Scope 2) include GHG emissions generated by the consumption of purchased heat and purchased traditional electricity, and the statistical scope includes the headquarters and domestic branches of CZBank. The calculations reference the location-based CO₂ emission factors at 0.5306 kgCO₂/kWh from the *Announcement on the Release of 2023 CO₂ Emission Factors for Electricity (Announcement No. 47 of 2025)* jointly issued by the Ministry of Ecology and Environment and the *National Bureau of Statistics, as well as the Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* by the National Development and Reform Commission.

and 2)	equivalent / m ²			
GHG emissions (Scope 3) ¹¹	Tons of CO ₂ equivalent	14,511.71	/	/
Total energy consumption	MWh	125,977.11	128,792.75	116,187.74
Energy consumption per unit area	MWh /m ²	0.15	0.15	0.14
Direct Energy Consumption				
Natural gas consumption	m ³	1,079,446.18	923,769.38	773,699.38
Gasoline consumption	Liters	354,454.99	606,918.03	844,719.13
Diesel consumption	Liters	5,132.00	7,917.64	19,085.56
Indirect Energy Consumption				
Outsourced conventional power consumption	kWh	84,486,213.51	84,368,090.45	76,824,916.11
Outsourced green power consumption	kWh	592,048.00	334,603.00	1,583,437.47
Data center power usage effectiveness (PUE)	/	1.322	1.316	1.323

(III) Pollutant Discharge

Indicator	Unit	2025	2024	2023
Particulate matter ¹²	Tons	0.02	0.06	0.05
Sulfur dioxide	Tons	0.44	0.38	0.32
Nitrogen oxides	Tons	10.92	9.53	7.98

(IV) Waste Management

11. GHG emissions (Scope 3) within the scope of the Bank include Category 5: waste generated in operations, Category 6: business travel, and the statistical scope includes the head office and domestic branches. The calculations reference the *GHG Protocol-A Corporate Accounting and Reporting Standard* and the *GHG Protocol-Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. The calculation factors for the kitchen and household waste generated are based on the Technical Manual for Carbon Emission Accounting and Information Disclosure of Financial Institutions in Pudong New Area, Shanghai. The calculation factors for business travel are sourced from the Chinese Products Carbon Footprint Factors Database.

12. Particulate matter, sulphur dioxide, and nitrogen oxides are calculated in accordance with the *Technical Guidelines for the Compilation of Air Pollutant Emission Inventory from Road Vehicles (Trial)* issued by the Ministry of Environmental Protection of China.

Indicator	Unit	2025	2024	2023
Total waste generated	Tons	7,884.70	10,770.66	9,290.35
Total non-hazardous waste generated	Tons	7,855.15	10,735.22	9,264.50
Household waste	Tons	5,776.93	8,060.71	6,994.89
Food waste	Tons	1,868.33	2,590.71	2,195.11
Office supplies waste	Tons	10.76	3.02	6.58
Non-hazardous electronic waste ¹³	Tons	199.13	80.79	67.93
Total amount of hazardous waste ¹⁴	Tons	29.55	35.44	25.84
Toner cartridges, ink cartridges	Tons	29.55	35.44	25.84
Non-hazardous waste generated per unit area	Tons/m ²	0.0092	0.0126	0.0113
Hazardous waste generated per unit area	Tons/m ²	0.000035	0.000042	0.000032

(V) Water Resources Management

Indicator	Unit	2025	2024	2023
Total office water consumption	Tons	581,828.71	600,694.74	574,932.10
Water consumption per unit area	Tons/m ²	0.68	0.70	0.70
Data center water usage effectiveness (WUE)	/	2.207	2.036	2.078

(VI) Paper Management¹⁵

Indicator	Unit	2025	2024	2023
Credit card electronic statement usage	%	100	100	100

13.The volume of non-hazardous electronic waste generated in 2025 including the recycling of 0.57 tons of toner cartridges, which were handed over to a qualified enterprise for recycling.

14.Hazardous waste is mainly waste toner cartridges. Toner cartridges are calculated based on a gross weight of 0.8 kg/piece. Particulate matter, sulphur dioxide, and nitrogen oxides are calculated in accordance with the *Technical Guidelines for the Compilation of Air Pollutant Emission Inventory from Road Vehicles (Trial)* issued by the Ministry of Environmental Protection of China.

15.Paper bills are calculated at 4.3659 grams per sheet and 229,047 sheets per ton.

rate				
Paper saved by electronic credit card statements	Tons	32.15	32.07	31.82
Paper saved in office system operation	Tons	46.1	46.50	44.80
Paper saved by the electronic voucher data pilot project	Tons	1.93	2.40	2.39
Paper saved by paperless reimbursement	Tons	5.47	4.60	3.22

IV. Social Performance

(I) Recruiting and Hiring

Indicator	Unit	2025	2024	2023
Total number of employees	No.	25,016	25,226	22,895
Number of regular employees	No.	20,290	20,242	19,005
Number of non-regular employees (contractors)	No.	4,726	4,984	3,890
Labor contract signing rate	%	100	100	100
Turnover rate ¹⁶	%	4.32	4.51	4.33
Male employee turnover rate	%	5.34	5.49	5.01
Female employee turnover rate	%	3.22	3.43	3.59
Turnover rate of employees under 30 years old	%	5.99	6.78	5.38
Turnover rate of employees aged 31-50	%	4.10	4.16	4.23
Turnover rate of employees over 50 years old	%	2.34	1.19	1.55
Turnover rate of domestic employees	%	4.28	4.49	4.32
Turnover rate of overseas employees	%	10.83	7.69	6.32

16.The statistics cover permanent employees of the Group.

Turnover rate of grassroots employees	%	4.70	4.56	4.40
Turnover rate of middle and senior management employees	%	1.58	1.30	0.85

(II) Diversity and Equal Opportunities

Indicator	Unit	2025	2024	2023
Number of male employees	No.	13,590	13,725	12,759
Number of female employees	No.	11,426	11,501	10,136
Number of domestic employees	No.	24,909	25,130	22,806
Number of overseas employees	No.	107	96	89
Number of grassroots employees	No.	24,643	24,846	22,545
Number of middle and senior management employees	No.	373	380	350

(III) Employee Rights Protection

Indicator	Unit	2025	2024	2023
Social insurance coverage rate	%	100	100	100
Trade union coverage rate ¹⁷	%	97.50	97.30	97.30
Proportion of employees covered by trade unions	%	99.46	99.52	99.53
Employee absenteeism rate ¹⁸	%	0.41	0.41	0.46
Number of employees in financial difficulties who received targeted support from the Bank	No.	126	117	113

(IV) Health and Safety

Indicator	Unit	2025	2024	2023
Number of working days lost due to	No.	1,562	1,098	530

17.Trade union coverage rate = Number of branches with trade unions / Total number of branches.

18.Employee absenteeism rate = Number of days of absence throughout the year (sick leave, personal leave, excluding planned holidays) / Number of days of attendance throughout the year (i.e. Average number of employees across the bank * Number of working days throughout the year).

work injury				
Number of work related fatalities	No.	0	1	1

(V) Development and Training

Indicator	Unit	2025	2024	2023
Employee training expenditure	RMB Million	40.3694	43.9266	42.3880
Per capita employee training expenditure	RMB	1,613.74	1,741.32	1,851.41
Number of employee training projects	No.	3,151	1,607	1,625
Number of employees trained	No.	939,652	970,172	724,334
Proportion of employees trained	%	100	100	100
Average training hours	Hours	62.50	70.35	58.56
Average training hours for male employees	Hours	61.54	63.06	49.27
Average training hours for female employees	Hours	80.24	71.56	59.93
Average training time for ordinary employees	Hours	70.76	70.98	54.61
Average training hours for middle and senior management employees	Hours	45.79	36.57	27.28
Average online training hours	Hours	37.98	46.10	34.50
Average offline training hours	Hours	24.52	24.24	24.06

(VI) Supply Chain Management

Indicator ¹⁹	Unit	2025	2024	2023
Number of centralized procurement projects implemented in the year	No.	242	184	201

¹⁹The statistical scope is the Head Office.

Budget amounts involved in centralized procurement	RMB billion	3.834	5.220	1.392
Centralized procurement project performance rate	%	100	100	100
Supplier review coverage	%	100	100	100
Number of potential suppliers	No.	5,757	4,427	3,593
Suppliers in the Yangtze River Delta	No.	3,140	2,523	2,032
Suppliers in Pearl River Delta	No.	672	513	429
Suppliers in the Bohai Rim region	No.	1,090	847	736
Suppliers in the Central region	No.	391	261	171
Suppliers in the Western region	No.	402	238	185
Suppliers in the Northeast region	No.	62	45	40

(VII) Product Liability and Consumer Rights Protection

Indicator	Unit	2025	2024	2023
Number of new (or substantially changed) products and services reviewed (Head Office level)	No.	1,529	1,191	649
Customer satisfaction rate of the 95527 hotline service	%	99.76	99.81	99.84
Proportion of customers covered by satisfaction surveys ²⁰	%	49.56	50.01	53.63
Number of financial literacy initiatives	No.	5,622	9,427	7,000

(VIII) Privacy Protection and Information Security

Indicator	Unit	2025	2024	2023
Number of information security incidents	No.	0	0	0
Total number of information security breaches involving personally identifiable customer	No.	0	0	0

20.The percentage of customers responding to the survey out of all the customers received through 95527.

information				
Total number of customers and employees affected by company data breach	No.	0	0	0
Amounts of fines paid due to information security breaches or other cybersecurity incidents	RMB	0	0	0
Number of substantiated customer privacy breach complaints	No.	0	0	0
The proportion of IT infrastructure that has passed ISO27001 and other management system certifications	%	100	100	100

(IX) Intellectual Property Protection

Indicator	Unit	2025	2024	2023
Cumulative number of invention patent applications submitted	No.	156	134	116
Cumulative number of patent grants obtained	No.	108	88	46
Cumulative number of software copyrights obtained	No.	54	46	40
Cumulative number of successfully registered trademarks	No.	551	526	509
Number of registered domestic trademarks	No.	483	450	429
Number of registered overseas trademarks ²¹	No.	68	76	80

(X) Community Investment

Indicator	Unit	2025	2024	2023
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21.Overseas trademark registration places involve ten countries or regions including the Hong Kong Special Administration Region of the PRC, Taiwan of China, the Macau Special Administration Region of the PRC, the United Kingdom, France, Germany, Switzerland, Singapore, and Japan.

Per-share social contribution value ²²	RMB	3.19	3.64	3.58
Donations	RMB Million	51.1018	24.2913	22.7051
Educational and cultural donations	RMB Million	16.5286	12.2718	11.0836
Health donations	RMB Million	0.1133	2.6647	1.3535
Others (such as helping disadvantaged groups)	RMB Million	34.4600	9.3548	10.2680
Ratio of donations to total profits	%	0.32	0.14	0.13
Employee volunteering hours	Hours	4,998	4,871	4,763

22.As defined by the Shanghai Stock Exchange Self-Regulatory Guidelines No. 1—Standardized Operations, the per-share social contribution value expands upon basic earnings per share (reflecting shareholder value) by incorporating value generated for other stakeholders. This calculation adds annual tax payments, employee wages, interest expenses to creditors like banks, and external donations to basic EPS, then deducts other societal costs such as environmental pollution impacts. The result represents the incremental per-share value created by the company for society, expressed by the formula: Per-Share Social Contribution Value = Basic Earnings per Share + (Total Taxes + Employee Wages + Interest Expenses + Donations) / Period-End Total Shares Outstanding.

Independent Assurance Report



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Independent assurance report

安永华明(2026)专字第70013043_A01号
浙商银行股份有限公司

To the Board of Directors of China Zheshang Bank Co., Ltd.

Scope

We have been engaged by China Zheshang Bank Company Limited (the "Bank") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the selected data as of and for the year ended 31 December 2025 in the 2025 Sustainability Report (the "2025 Sustainability Report").

Selected data

The selected data in the 2025 Sustainability Report of the Bank for 2025 that is covered by this report is as follows:

- Green loan balance (RMB 100 million)
- Balance of national standard SME loans (RMB billion)
- Balance of broader agricultural loans (RMB billion)
- Donations (RMB million)
- Percentage of female employees (%)
- Number of ethnic minority employees (persons)
- Average training hours (hours)
- Proportion of customers covered by satisfaction surveys (%)
- Rate of e-banking substitution (%)
- GHG emissions (scope 1) (tons of CO₂ equivalent)
- GHG emissions (Scope 2) (tons of CO₂ equivalent)
- GHG emissions (Scope 3) (tons of CO₂ equivalent)
- Total energy consumption (MWh)
- Total waste generated (tons)
- Outsourced conventional power consumption (kWh)
- Total office water consumption (tons)

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.





Independent assurance report

安永华明（2026）专字第70013043_A01号
浙商银行股份有限公司

Criteria applied by the Bank

The criteria used by the Bank to prepare the selected data in the 2025 Sustainability Report are set out in the basis of reporting of the selected data (the "Basis of Reporting") within the 2025 Sustainability Report in the accompanying the *Appendix: Basis of Reporting* (Criteria).

The Bank's responsibilities

The Bank's management is responsible for selecting the basis of reporting, and for presenting the selected data in accordance with the basis of reporting within the 2025 Sustainability Report, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the selected data, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the selected data as at 31 December 2025 and for the year then ended in the 2025 Sustainability Report based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (the "ISAE 3000 (Revised)") and the *International Standard on Assurance Engagements on Greenhouse Gas Statements* (the "ISAE 3410") and the terms of reference for this engagement as agreed with the Bank on 29 December 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the selected data in the 2025 Sustainability Report in order for it to be in accordance with the basis of reporting, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.





Independent assurance report

安永华明（2026）专字第70013043_A01号
浙商银行股份有限公司

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems. The Green House Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the selected data in the 2025 Sustainability Report and related information, and applying analytical and other appropriate procedures.

Our work was performed at the Head Office of the Bank, which included:

- 1) Conducted interviews with personnel to understand the business and reporting process;
- 2) Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selected data during the reporting period;
- 3) Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Basis of Reporting;





Independent assurance report

安永华明（2026）专字第70013043_A01号
浙商银行股份有限公司

- 4) Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant differences we identified;
- 5) Tested, on a sample basis, underlying source information to check the accuracy of the data; and
- 6) Other procedures deemed necessary.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the selected data as of and for the year ended 31 December 2025 in the 2025 Sustainability Report, in order for it to be in accordance with the Basis of Reporting.

Restricted use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

Ernst & Young Hua Ming LLP

Ernst & Young Hua Ming LLP

30 March 2026

Beijing, China



Appendix: Basis of Reporting

Green loan balance (RMB 100 million):

The green loan balance disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the green loan balance of Zheshang Bank in accordance with the *Notice of the People's Bank of China on Relevant Matters Concerning Financial Statistics of Financial Institutions in 2025 (Yin Fa [2025] No. 8)* at the end of the reporting period. The classification of green loans follows the *Green Finance Endorsed Projects Catalogue (2025 Edition)* jointly issued by the People's Bank of China, the National Financial Regulatory Administration, and the China Securities Regulatory Commission. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Balance of national standard SME loans (RMB billion):

The balance of national standard SME loans disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to loans balance at the end of the reporting period in accordance with the *Notice on Further Promoting the High-Quality Development of Financial Services for Small and Micro Enterprises in 2021 (CBIRC [2021] No.49)* issued by the General Office of the former China Banking and Insurance Regulatory Commission, and the *Notice on Issuing the Standards for Classifying Small and Medium-Sized Enterprises (MIIT Joint Enterprise [2011] No.300)* jointly issued by the Ministry of Industry and Information Technology, the National Bureau of Statistics, the National Development and Reform Commission and the Ministry of Finance. SMEs loans include loans to small and micro enterprises, loans to individual industrial and commercial households, and loans to owners of small and micro enterprises. The statistical scope covers the headquarters of China Zheshang Bank and its domestic branches.

Balance of broader agricultural loans (RMB billion):

The balance of broader agricultural loans disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the balance of large agricultural loan which was in accordance with the *Notice on the Establishment of the Special Statistical System for Agricultural-Related Loans (Yin Fa [2007] No. 246)* issued by the People's Bank of China and the former China Banking Regulatory Commission and the *Notice on Issuing the 2024 Financial Institutions Financial Statistics Revision Content (Yin Diao Fa [2024] No. 2)* issued by the Statistics and Analysis Department of the People's Bank of China at the end of the reporting period. Agricultural loans include loans to non-financial rural enterprises and public institutions, agricultural loans to non-financial urban enterprises and public institutions, loans to rural households, and loans to non-farm households for personal agriculture, forestry, animal husbandry and fishery. The statistical scope covers the headquarters of China Zheshang Bank and its domestic branches.

Donations (RMB million):

The donations disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total amount of donations by Zheshang Bank during the reporting period. The scope of donations by China Zheshang Bank includes public welfare and charitable activities that comply with the provisions of the Charity Law of the People's Republic of China. The statistical scope covers the headquarters of China Zheshang Bank, its domestic branches, overseas branches, and subsidiaries.

Percentage of female employees (%):

The percentage of female employees disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the proportion of female employees in the total number of employees of China Zheshang Bank at the end of the reporting period, employees' gender information is sourced from their identification cards. The percentage of female employees is calculated as $\text{Number of Female Employees} / \text{Total Number of Employees} \times 100\%$. The total number of employees includes both formal and non-formal employees and those in non-formal arrangements (including labor dispatch, outsourced, and subsidiary staff) from the headquarters of China Zheshang Bank, its domestic branches, overseas branches, and subsidiaries.

Number of ethnic minority employees (persons):

The number of ethnic minority employees disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total number of ethnic minority employees in the bank at the end of the reporting period. Ethnic minority is defined as 55 nationalities other than Han Chinese based on the employees' identification card. The total number of employees includes both formal and non-formal employees and those in non-formal arrangements (including labor dispatch, outsourced, and subsidiary staff) from the headquarters of China Zheshang Bank, its domestic branches, overseas branches, and subsidiaries.

Average training hours (hours):

Average training hours disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total number of hours spent by employees participating in training activities organized by the head office and branches during the reporting period divided by the total number of employees in the group. Training time per employee = $\text{Total hours of training activities organized by the head office and branches} / \text{Total number of employees in the group}$. Training activities include both online and offline training sessions organized by China Zheshang Bank. The statistical scope covers the headquarters of China Zheshang Bank, its domestic branches, overseas branches, and subsidiaries.

Proportion of customers covered by satisfaction surveys (%):

The proportion of customers covered by satisfaction surveys disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the percentage of all customers who participated in evaluations during the reporting period relative to all customers whose calls were answered by "95527", which means the percentage of customers participating in satisfaction surveys (%) = Number of customers who called "95527" were answered and provided satisfaction evaluations / Total number of customers who called "95527" and were answered × 100%. The statistical scope includes all "95527" calls made and answered in both domestic and international regions.

Rate of e-banking substitution (%):

The rate of e-banking substitution disclosed in the 2024 Sustainability Report of China Zheshang Bank refers to the proportion of e-banking channel transactions to the total number of transactions during the reporting period. The rate of e-banking substitution = the total number of e-banking channel transactions / the total number of transactions × 100%. Electronic Banking Services refer to banking services provided to customers through the construction of financial technology platforms, utilizing intelligent terminal devices such as computers and smartphones, the internet, as well as dedicated networks established by the bank for specific self-service facilities or customers. These services include online banking, mobile banking, telephone banking, SMS banking, online business halls, ATM machines, and more. China Zheshang Bank conducts this work in accordance with the *Electronic Banking Business Management Measures (China Banking Regulatory Commission Order No. 5, 2006)*, the *RMB Settlement Account Management Measures (People's Bank of China Order No. 5, 2003)*, the *Payment and Settlement Measures (Yin Fa [1997] No. 393)*, and the *General Specifications for Information Security of Online Banking Systems (Yin Fa [2012] No. 121)*. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

GHG Emissions (Scope 1) (tons of CO₂ equivalent):

The GHG emissions (Scope 1) disclosed in the 2025 Sustainability Report of China Zheshang Bank refer to the total Scope 1 greenhouse gas emissions generated by the bank during the reporting period, including emissions from stationary sources (natural gas and diesel) and mobile sources (vehicle gasoline). Scope 1 emissions are presented in terms of CO₂ equivalent, with calculations referencing the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)* issued by the State Administration for Market Regulation and the Standardization Administration of China, the *Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* issued by the National Development and Reform Commission, the *2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 Refinement)*, and the *IPCC Sixth Assessment Report (AR6)* by the Intergovernmental Panel on Climate Change (IPCC). The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

GHG Emissions (Scope 2) (tons of CO₂ equivalent):

The GHG emissions (Scope 2) disclosed in the 2025 Sustainability Report of China Zheshang Bank refer to the total Scope 2 GHG emissions generated by the bank during the reporting period, including emissions from purchased heat and purchased electricity. Scope 2 emissions are presented in terms of CO₂ equivalent, with calculations referencing the *Announcement on the Release of 2023 CO₂ Emission Factors for Electricity (Announcement No. 47 of 2025)* jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics, as well as the *Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* issued by the National Development and Reform Commission. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

GHG Emissions (Scope 3) (tons of CO₂ equivalent):

The GHG emissions (Scope 3) disclosed in the 2025 Sustainability Report of China Zheshang Bank refer to the total Scope 3 GHG emissions generated by the bank during the reporting period, including emissions from treatment of domestic waste and food waste and business travel. Scope 3 emissions are presented in terms of CO₂ equivalent, with calculations referencing the *GHG Protocol-A Corporate Accounting and Reporting Standard* and the *GHG Protocol-Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. The calculation factors for the treatment of domestic waste and food waste are based on the *Technical Manual for Carbon Emission Accounting and Information Disclosure of Financial Institutions in Pudong New Area, Shanghai*. The calculation factors for business travel are sourced from the Chinese Products Carbon Footprint Factors Database. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Total energy consumption (MWh):

The total energy consumption disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total energy consumption generated by the bank during the reporting period, including natural gas, gasoline, diesel, purchased heat, purchased conventional electricity, and purchased green electricity. The total energy consumption is presented in megawatt-hours (MWh), with calculations referencing the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)* issued by the State Administration for Market Regulation and the Standardization Administration of China. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Total waste generated (tons):

The total waste disposal disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total amount of waste generated and treated by the bank during the reporting period, including domestic waste, food waste, office supply waste, non-hazardous electronic waste, and waste toner cartridges. It is calculated in accordance with the *Appendix 2: Reporting Guidance on Environmental KPIs of How to prepare an ESG Report* issued by HKEX, the *Law of Prevention and Control of Environmental Pollution by Solid Waste*, the *Regulations on the Recycling and Disposal of Waste Electrical and Electronic Products* and the *Technical Guidelines for Domestic Waste Treatment* issued by the Ministry of Ecology and Environment. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Outsourced conventional power consumption (kWh):

The outsourced conventional power consumption disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total amount of purchased conventional electricity consumed by the bank during the reporting period. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Total office water consumption (tons):

The total office water consumption disclosed in the 2025 Sustainability Report of China Zheshang Bank refers to the total amount of water consumed for office purposes by the bank during the reporting period. The statistical scope includes the headquarters of China Zheshang Bank and its domestic branches.

Relevant Indicators

I. Self-regulation Guide No. 14 for the Companies Listed on Shanghai Stock Exchange —Sustainability Reports (Trial)

Dimension	Number	Topic	Section
Environment	1	Climate change tackling	Addressing Climate Change
	2	Pollutant discharge	Pollutant Discharge
	3	Waste disposal	Waste Management
	4	Ecosystem and biodiversity protection	Ecosystem and Biodiversity Conservation
	5	Environmental compliance management	Practicing Green Operations
	6	Energy usage	Greenhouse Gas Emissions and Energy Consumption
	7	Usage of water resources	Water Resources Management
	8	Circular economy	Diversifying Green Finance Offering
Society	9	Rural revitalization	Supporting Rural Revitalization; Topic 2: Building a Zhejiang Demonstration Zone for Common Prosperity; Adhering to targeted assistance
	10	Contributions to the society	Enhancing Social Contribution; Community Investment
	11	Innovation-driven	Serving the real economy through high-quality financial services and comprehensively promoting the development of new quality productive forces; Building a digital and intelligent CZBank
	12	Ethics of science and technology	Ensuring Data Security and Privacy Protection

Dimension	Number	Topic	Section
	13	Supply chain security	Promoting Sustainable Procurement; Supply Chain Management
	14	Equal treatment to small and medium-sized enterprises	Equal Treatment of Small and Medium Enterprises
	15	Safety and quality of products and services	Product Liability and Consumer Rights Protection; Strengthening Consumer Rights Protection; Improving Customer Service Experience; Ensuring Fair Marketing
	16	Data security and customer privacy protection	Privacy Protection and Information Security; Protecting Privacy and Information
	17	Employees	Enhancing Talent Attraction and Retention; Recruiting and Hiring; Diversity and Equal Opportunities; Employee Rights Protection; Health and Safety; Development and Training
Sustainability-related governance	18	Due diligence	Anti-money Laundering and Counter-terrorist Financing; ESG Risk Management
	19	Communications with stakeholders	Stakeholder Communication
	20	Anti-commercial bribery and anti-corruption	Anti-commercial Bribery and Anti-Corruption; Anti-money Laundering and Counter-terrorist Financing; Business Ethics and Anti-corruption
	21	Anti-unfair competition	Anti-unfair competition

II. Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited

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

Aspects, General Disclosures and KPIs	Description	Section
Aspect A1: Emissions		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Greenhouse Gas Emissions and Energy Consumption; Waste Management
KPI A1.1	The types of emissions and respective emissions data.	Greenhouse Gas Emissions and Energy Consumption; Waste Management
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Greenhouse Gas Emissions and Energy Consumption
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Greenhouse Gas Emissions and Energy Consumption
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management; Promoting Green Concepts
Aspect A2: Use of Resources		

General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Advocating Low-carbon Operation; Optimizing Resource Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Greenhouse Gas Emissions and Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Resource Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Greenhouse Gas Emissions and Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Not applicable to the Bank as it is a financial service enterprise
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Not applicable to the Bank as it is a financial service enterprise
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Diversifying Green Finance Offering; Addressing Climate Change
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Diversifying Green Finance Offering; Addressing Climate Change
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Addressing Climate Change

KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Addressing Climate Change
Employment and Labor Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Enhancing Talent Attraction and Retention
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Recruiting and Hiring; Diversity and Equal Opportunities
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Recruiting and Hiring; Diversity and Equal Opportunities
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety

Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Development Strategy; Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	/
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	/
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Not applicable to the Bank as CZBank has never used child labor or forced labor.
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier ESG Management
KPI B5.1	Number of suppliers by geographical region	Supplier Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier ESG Management

KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supplier ESG Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supplier ESG Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Strengthening Consumer Rights Protection; Privacy Protection and Information Security
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Bank as it is a financial service enterprise
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Liability and Consumer Rights Protection; Strengthening Consumer Rights Protection
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection
KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable to the Bank as it is a financial service enterprise
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Privacy Protection and Information Security; Ensuring Data Security and Privacy Protection

Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-commercial Bribery and Anti-Corruption; Anti-money Laundering and Counter-terrorist Financing
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	/
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-commercial Bribery and Anti-Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-commercial Bribery and Anti-Corruption; Business Ethics and Anti-corruption
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Public Welfare and Charity; Popularizing Financial Knowledge
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Community Investment; Public Welfare and Charity
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment
Climate-related Disclosures		
(I) Governance		

(I) Governance	<p>An issuer shall disclose information about:</p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; and</p> <p>(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.</p>	Climate Related Governance
(II) Strategy		
Climate-related risks and opportunities	<p>An issuer shall disclose its assessment of any climate-related risks reasonably likely to have a material effect on the issuer’s business model, strategy and cash flows, its access to finance and its cost of capital, which may manifest in the short, medium or long term.</p>	Climate-related Risks and Opportunities
Business model and value chain	<p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:</p> <p>(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and</p> <p>(b) a description of where in the issuer’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).</p>	Climate-related Risks and Opportunities

Strategy and decision-making	<p>An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph (a). An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph (a).</p>	Climate-related Risks and Opportunities
Financial position, financial performance and cash flows	<p>Current financial effect</p> <p>An issuer shall disclose qualitative and quantitative information about:</p> <p>(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and</p> <p>(b) the climate-related risks and opportunities identified in paragraph (a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	Climate-related Risks and Opportunities
	<p>Anticipated financial effect</p> <p>The issuer shall provide qualitative and quantitative disclosures about:</p> <p>(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities; and</p> <p>(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p>	

Climate resilience	<p>An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties. Specifically, the issuer shall disclose:</p> <p>(a) the issuer’s assessment of its climate resilience as at the reporting date; and</p> <p>(b) how and when the climate-related scenario analysis was carried out.</p>	Climate Risk Management Process
(III) Risk Management		
Climate-related risks and opportunities	<p>An issuer shall disclose information about:</p> <p>(a) the processes and related policies it uses to identify, assess, prioritize and monitor climate-related risks;</p> <p>(b) the processes the issuer uses to identify, assess, prioritize and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</p> <p>(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.</p>	Climate Risk Management Process; Climate-related risks and opportunities
(IV) Metrics and Targets		
Greenhouse gas emissions	<p>An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO₂ equivalent, classified as:</p> <p>(a) Scope 1 greenhouse gas emissions;</p> <p>(b) Scope 2 greenhouse gas emissions; and</p> <p>(c) Scope 3 greenhouse gas emissions.</p>	Greenhouse Gas Emissions and Energy Consumption

Greenhouse gas emissions measuring method	<p>An issuer shall:</p> <p>(a) measure its greenhouse gas emissions in accordance with the <i>Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)</i> unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p> <p>(b) disclose the approach it uses to measure its greenhouse gas emissions;</p> <p>(c) for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and</p> <p>(d) for Scope 3 greenhouse gas emissions disclosed, disclose the categories included within the issuer’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the <i>Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)</i>.</p>	Greenhouse Gas Emissions and Energy Consumption
Climate-related transition risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	/
Climate-related physical risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	/
Climate-related opportunities	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	/
Capital deployment	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/
Internal carbon prices	<p>An issuer shall disclose:</p> <p>(a) an explanation of whether and how the issuer is applying a carbon price in decision-making; and</p> <p>(b) the price of each metric ton of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;</p>	/

Remuneration	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	/
Industry-based metrics	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.	/
Climate-related targets	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Addressing Climate Change
	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	/
	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	/

III. GRI Sustainability Reporting Standards

GRI Indicators	Interpretations	Section
GRI 1 Foundation		
1 Foundation 2021	Reporting foundations, including publishing a GRI content index, providing a statement of use, etc.	GRI Standards
GRI 2 General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	About Us
2-2	Entities included in the organization's sustainability reporting	About The Report
2-3	Reporting period, frequency and contact point	About The Report

GRI Indicators	Interpretations	Section
2-4	Restatements of information	About The Report
2-5	External assurance	Independent Assurance Report
Activities and workers		
2-6	Activities, value chain and other business relationships	Promoting Sustainable Procurement
2-7	Employees	Enhancing Talent Attraction and Retention; Recruiting and Hiring; Diversity and Equal Opportunities; Employee Rights Protection; Health and Safety; Development and Training
2-8	Workers who are not employees	N/A
Governance		
2-9	Governance structure and composition	Organizational Structure; Optimizing Corporate Governance
2-10	Nomination and selection of the highest governance body	Optimizing Corporate Governance
2-11	Chair of the highest governance body	Refer to the Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	Board Statement; Optimizing Corporate Governance
2-13	Delegation of responsibility for managing impacts	Optimizing Corporate Governance
2-14	Role of the highest governance body in sustainability reporting	Board Statement; Sustainability Management
2-15	Conflicts of interest	Refer to the Annual Report
2-16	Communication of critical concerns	Stakeholder Communication
2-17	Collective knowledge of the highest governance body	Sustainability Management

GRI Indicators	Interpretations	Section
2-18	Evaluation of the performance of the highest governance body	Refer to the Annual Report
2-19	Remuneration policies	Refer to the Annual Report
2-20	Process to determine remuneration	Refer to the Annual Report
2-21	Annual total compensation ratio	Refer to the Annual Report
Strategy, Policy, and Practice		
2-22	Statement on sustainable development strategy	Sustainability Management
2-23	Policy commitments	Corporate Culture System; Sustainability Management
2-24	Embedding policy commitments	Corporate Culture System; Sustainability Management
2-25	Processes to remediate negative impacts	Strengthening Risk Management
2-26	Mechanisms for seeking advice and raising concerns	Strengthening Risk Management
2-27	Compliance with laws and regulations	Enhancing Integrity and Compliance
2-28	Membership associations	Adwards and Honors
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder Communication
2-30	Collective bargaining agreements	Enhancing Talent Attraction and Retention
GRI 3 Material Topics 2021		
3-1	Process to determine material topics	Double materiality Analysis
3-2	List of material topics	Double materiality Analysis
3-3	Management of material topics	Double materiality Analysis
GRI 201 Economic Performance 2016		
201-1	Direct economic value generated and distributed	Economic Performance

GRI Indicators	Interpretations	Section
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Enhancing Talent Attraction and Retention
201-4	Financial assistance received from government	Not disclosed
GRI 202 Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not disclosed
202-2	Proportion of senior management hired from the local community	Not disclosed
GRI 203 Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Building a Zhejiang Demonstration Zone for Common Prosperity; Chapter II. Economy
203-2	Significant indirect economic impacts	Building a Zhejiang Demonstration Zone for Common Prosperity; Chapter II. Economy
GRI 204 Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Promoting Sustainable Procurement; Supplier Chain Management
GRI 205 Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Enhancing Integrity and Compliance; Business Ethics and Anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	Enhancing Integrity and Compliance; Business Ethics and Anti-corruption

GRI Indicators	Interpretations	Section
205-3	Confirmed incidents of corruption and actions taken	Enhancing Integrity and Compliance
GRI 206 Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Enhancing Integrity and Compliance
GRI 207 Tax 2019		
207-1	Approach to tax	Refer to the Annual Report
207-2	Tax governance, control, and risk management	Refer to the Annual Report
207-3	Stakeholder engagement and management of concerns related to tax	Refer to the Annual Report
207-4	Country-by-country reporting	Refer to the Annual Report
GRI 301 Materials 2016		
301-1	Materials used by weight or volume	Practicing Green Operations; Waste Management
301-2	Recycled input materials used	Practicing Green Operations
301-3	Reclaimed products and their packaging materials	N/A
GRI 302 Energy 2016		
302-1	Energy consumption within the organization	Practicing Green Operations; Greenhouse Gas Emissions and Energy Consumption
302-2	Energy consumption outside of the organization	Practicing Green Operations; Greenhouse Gas Emissions and Energy Consumption
302-3	Energy intensity	Practicing Green Operations; Greenhouse Gas Emissions and Energy Consumption
302-4	Reduction of energy consumption	Practicing Green Operations

GRI Indicators	Interpretations	Section
302-5	Reductions in energy requirements of products and services	Practicing Green Operations; Addressing Climate Change
GRI 303 Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Practicing Green Operations
303-2	Management of water discharge-related impacts	Practicing Green Operations
303-3	Water withdrawal	Practicing Green Operations
303-4	Water discharge	Practicing Green Operations
303-5	Water consumption	Practicing Green Operations; Water Resource Management
GRI 304 Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A; No relevant operational sites
304-2	Significant impacts of activities, products and services on biodiversity	Diversifying Green Finance Offering; Practicing Green Operations
304-3	Habitats protected or restored	No relevant operational sites
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	No relevant operational sites
GRI 305 Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions and Energy Consumption
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions and Energy Consumption
305-3	Other indirect (Scope 3) GHG emissions	Not disclosed
305-4	GHG emissions intensity	Greenhouse Gas Emissions and Energy Consumption

GRI Indicators	Interpretations	Section
305-5	Reduction of GHG emissions	Not disclosed
305-6	Emissions of ozone-depleting substances (ODS)	Not disclosed
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Not disclosed
GRI 306 Waste 2020		
306-1	Waste generation and significant waste-related impacts	Promoting Green Concepts
306-2	Management of significant waste-related impacts	Promoting Green Concepts
306-3	Waste generated	Promoting Green Concepts; Waste Management
306-4	Waste diverted from disposal	Promoting Green Concepts
306-5	Waste directed to disposal	Promoting Green Concepts
GRI 308 Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Promoting Sustainable Procurement
308-2	Negative environmental impacts in the supply chain and actions taken	Promoting Sustainable Procurement
GRI 401 Employment 2016		
401-1	New employee hires and employee turnover	Enhancing Talent Attraction and Retention; Recruiting and Hiring
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Enhancing Talent Attraction and Retention
401-3	Parental leave	/
GRI 402 Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Not disclosed
GRI 403 Occupational Health and Safety 2018		

GRI Indicators	Interpretations	Section
403-1	Occupational health and safety management system	Enhancing Talent Attraction and Retention; Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Enhancing Talent Attraction and Retention
403-3	Occupational health services	Enhancing Talent Attraction and Retention; Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Enhancing Talent Attraction and Retention; Health and Safety
403-5	Worker training on occupational health and safety	Optimizing the Career Development Platform
403-6	Promotion of worker health	Enhancing Talent Attraction and Retention; Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Enhancing Talent Attraction and Retention; Health and Safety
403-8	Workers covered by an occupational health and safety management system	Enhancing Talent Attraction and Retention; Health and Safety
403-9	Work-related injuries	Enhancing Talent Attraction and Retention; Health and Safety
403-10	Work-related ill health	Enhancing Talent Attraction and Retention; Health and Safety
GRI 404 Training and Education 2016		
404-1	Average hours of training per year per employee	Development and Training
404-2	Programs for upgrading employee skills and transition assistance programs	Enhancing Talent Attraction and Retention
404-3	Percentage of employees receiving regular	Not disclosed

GRI Indicators	Interpretations	Section
	performance and career development reviews	
GRI 405 Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Optimizing Corporate Governance; Talent Development Strategy
405-2	Ratio of basic salary and remuneration of women to men	Not disclosed
GRI 406 Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination
GRI 407 Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
GRI 408 Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	No incidents of child labor
GRI 409 Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No incidents of forced or compulsory labor
GRI 410 Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	N/A
GRI 411 Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 413 Local Communities 2016		
413-1	Operations with local community engagement, impact	N/A

GRI Indicators	Interpretations	Section
	assessments, and development programs	
413-2	Operations with significant actual and potential negative impacts on local communities	N/A
GRI 414 Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Promoting Sustainable Procurement
414-2	Negative social impacts in the supply chain and actions taken	Promoting Sustainable Procurement
GRI 415 Public Policy 2016		
415-1	Political contributions	N/A
GRI 416 Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Strengthening Consumer Rights Protection; Improving Customer Service Experience
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A
GRI 417 Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Strengthening Consumer Rights Protection; Improving Customer Service Experience
417-2	Incidents of non-compliance concerning product and service information and labeling	Not disclosed
417-3	Incidents of non-compliance concerning marketing communications	Not disclosed
GRI 418 Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Strengthening Consumer Rights Protection; Privacy Protection and Information Security

Feedback From Readers

Dear readers:

Thank you for reading the *CZBank 2025 Sustainability Report*. We value and look forward to hearing your feedback on CZBank's responsibility management, practices and this report. Your comments and suggestions are an important basis for us to continue to promote CSR and sustainability management and practice. We are looking forward to your reply.

Single choice questions (Please check [] in the box)

1. Do you think the report can reflect the material impacts of CZBank on the economy, society and environment?

Yes. Maybe No

2. Do you think the report identifies stakeholders and analyzes their relationships with CZBank accurately and comprehensively?

Yes. Maybe No

3. Do you think the report provides sufficient information?

Yes. Maybe No

4. Do you think information provided in the report is readable?

Yes. Maybe No

Open-ended question

Do you have any other comments and suggestions on the *CZBank 2025 Sustainability Report*?

Please send your comments and suggestions through the following channels:

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