



晉商銀行股份有限公司*

JINSHANG BANK CO., LTD.*

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

Stock Code: 2558



2025

Environmental, Social and Governance Report

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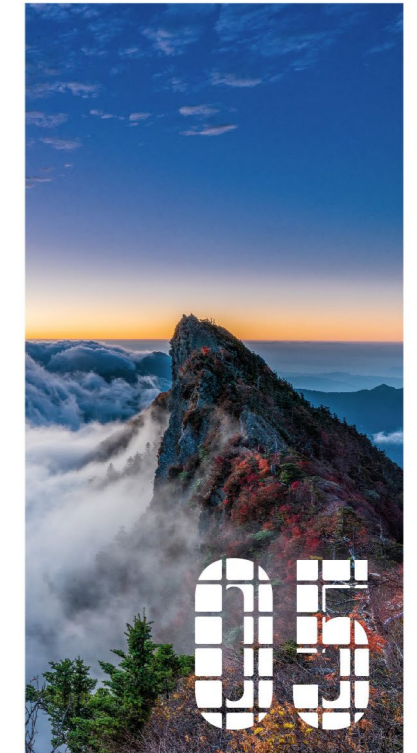
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Chairwoman's Statement



Jinshang Bank Co., Ltd. Party Committee Secretary and Chairwoman

Hao Qiang

The year 2025 marked the conclusion of the 14th Five-Year Plan and served as a critical juncture where we built on our momentum to achieve a major leap forward. Throughout the year, we remained true to our founding mission of serving the local economy, deeply embedded in Shanxi and committed to supporting its diverse industries and the well-being of its people. In our pursuit of becoming a leading force in regional financial services, we continued to drive energy transition, industrial upgrading, and appropriate economic diversification. Through these sustained efforts, we are writing a new chapter in Shanxi's accelerated journey toward Chinese-style modernization.

Economic: Staying True to Our Core Mission, Answering the Call of "National Priorities"

We actively engaged in local economic development, striving to enhance the quality and effectiveness of financial services to the real economy. By the end of 2025, the balance of loans extended to the real economy stood above RMB140 billion, delivering strong impetus to stable growth and structural adjustment of the regional economy. We placed strong emphasis on technology finance, focusing on the "Six New" sectors (new materials, clean energy, equipment manufacturing, digital information, modern chemicals, and light and textile industries), with enhanced full-cycle financial services to technology-based enterprises. The balance of technology finance loans reached RMB17.916 billion. In particular, we successfully facilitated the issuance of Shanxi's first sci-tech innovation bond, helping to sustain innovation momentum. Furthermore, guided by the new development philosophy, we actively expanded cross-border financial service scenarios, completing Shanxi's first warehouse receipt financing transaction on the "Port Cloud Warehouse" (港雲倉) platform and the first cross-border RMB settlement for aircraft bonded procurement. By constantly enhancing basic financial services, we have injected fresh momentum into high-quality regional development.

Environmental: Making Sustained Efforts, Contributing to the Grand Endeavor of Building a Beautiful China

We committed to the "dual carbon" goals, advancing green and low-carbon development systematically while accelerating the formation of a new framework for climate resilience and sustainable development. We continuously improved our climate governance system. This includes strengthening climate risk assessment and management, introducing differentiated credit policies for high-carbon industries, and integrating ESG factors into the "three-phase loan review" process. We vigorously promoted green finance, actively participating in Shanxi's comprehensive energy revolution and reform. Specifically, we established a "1+N" green finance institutional framework, developed a four-product suite consisting of Green Loans (綠貸通), Green Financing (綠融通), Green Innovative Financing (綠創通), and Green Direct Financing (綠直通), and successfully launched innovative products such as green M&A loans and carbon emission rights pledge loans. The scale and efficiency of green finance steadily improved, with balance of green loans reaching RMB15.217 billion. We embedded green principles throughout our operations, continuously advancing energy and water efficiency, while strengthening waste recycling, taking concrete actions to reinforce the green foundation for sustainable development.

Social: Resonating with the Community, Demonstrating the True Meaning of Finance for the People

We continued to extend the reach and scope of our services to

meet the diverse financial needs of the public across different segments. We promoted broad access to inclusive finance by launching specialized products such as "QR Code MSE Loan (碼上貸)". The balance of inclusive loans for micro- and small enterprises (MSEs) reached RMB13.473 billion, a year-on-year growth of 16.61%. In line with the rural revitalization strategy, we stepped up support for agriculture-related sectors through measures such as enhanced investment, product optimization, and strengthened assistance. The balance of agriculture-related loans stood at RMB43.499 billion, injecting financial vitality into agricultural and rural development. We strategically advanced the development of pension finance by innovating products and optimizing elderly-care services. We enhanced our digital and intelligent transformation, with an e-banking rate of 88.29%, significantly improving service efficiency and customer reach. Adhering to a customer-first approach, we established the province's first "Silver Hair" demonstration outlet (「銀發」示範網點), steadily improving age-friendly financial services. We actively listened to customer feedback, achieving a customer satisfaction rate of 99.66%. In terms of consumer protection and social responsibility, we conducted 1,361 financial education activities over the past year, making financial services accessible, tangible, and truly integrated into people's daily lives.

Governance: Consolidating the Foundation, Strengthening the Core for Long-Term and Sustainable Development

Upholding the leadership of the Party, we deepened the mechanism of "Dual Entry and Cross-Appointment" (雙向進入, 交叉任職) to integrate Party leadership into all aspects of corporate governance, and continuously enhanced the standardized operation and scientific decision-making capabilities of the Board of Directors, thereby solidifying the foundation for sustainable development. To comprehensively strengthen risk management, we built "Three Lines of Defense", cultivated a robust risk culture, and improved digital risk control capabilities. Following the principle of compliant operations, we strengthened employee conduct management, improved long-term anti-corruption mechanisms, and deeply embedded a culture of financial integrity within the organization, fostering a clean and upright working environment. In terms of employee development, adhering to a "people-oriented" principle, we have established a comprehensive management mechanism covering "recruitment, cultivation, utilization, and retention", along with clear career development paths, for the purpose of aligning individual motivation with corporate growth. We continued to integrate ESG concepts throughout our management processes, enhancing the ESG governance structure and mechanisms. In 2025, the Bank's ESG rating by Wind was upgraded to AA, fully reflecting the capital market's strong recognition of our sustainable development capabilities.

In 2026, guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, we will firmly uphold the political nature and people-centered essence of financial work. Under the overarching theme of "Deepening Reform, Promoting Transformation, and Improving Quality & Efficiency", we will actively align our goals with the new five-year strategic plan, focusing on effectively balancing development and security, aggregate and structure, efficiency and equity, and innovation and compliance. We will strive for excellence in the "Five Major Areas of Finance", ensuring a high-standard, high-quality start to the 15th Five-Year Plan.

About Jinshang Bank

Jinshang Bank Co., Ltd. (hereinafter referred to as "Jinshang Bank" or the "Bank", stock code: 2558.HK), headquartered in Taiyuan, Shanxi, was renamed from Taiyuan Commercial Bank upon the approval of the former China Banking Regulatory Commission on December 30, 2008. It was officially established on February 28, 2009, and listed on the Hong Kong Stock Exchange (HKEX) on July 18, 2019.

Under the leadership of the Party Committee and the Provincial Government of Shanxi Province, and with the guidance and assistance of regulatory authorities, Jinshang Bank has successively achieved strategic breakthroughs, including the introducing strategic investors, listing on the H-share market, and so on, which position the Bank on the path of a modern commercial bank characterized by stable growth, strong performance, and effective risk management. As of the end of 2025, the Bank's total assets, total deposits, and total loans reached RMB393.000 billion, RMB311.054 billion, and RMB217.626 billion, respectively. The capital adequacy ratio stood at 13.96%, the core tier-1 capital adequacy ratio was 10.46%, and the provision coverage ratio was 191.00%, with key regulatory indicators meeting the required standards.

Since its establishment, adhering to a "customer-centric" service philosophy, Jinshang Bank has achieved full coverage across all 11 prefecture-level cities in Shanxi. The Bank currently operates 152 business outlets, a MSE financial service center, and has initiated Jinshang Consumer Finance Co., Ltd., the first consumer finance company in Shanxi Province. Additionally, it has steadily expanded its electronic channels to include internet banking, mobile banking, and WeChat banking, creating a seamless "integrated online and offline" financial service model.

With outstanding operational performance and high-quality financial services, Jinshang Bank has earned widespread recognition from the Party Committee and Provincial Government of Shanxi Province, as well as various sectors across society. It has been honored as "The Most Competitive National Brand among Chinese City Commercial Banks", "The Most Competitive Small and Medium-sized Bank in China", "Meritorious Enterprise in Shanxi Province", and "People's Favorite Bank in Shanxi Province". It has also been awarded the "May 1st Labor Award of Shanxi Province".

Noteworthy achievements also include ranking 394th in The Banker's "Top 1000 World Banks 2025" list by tier 1 capital, ranking 82nd in the China Banking Association's "Top 100 Chinese Banks 2025" list by core tier 1 capital net, and ranking 37th in the China Banking Association's "2025 Commercial Bank 'Gyro' Evaluation - Urban Commercial Banks".



Bank's total assets reached

RMB **393.000** billion



Bank's total deposits reached

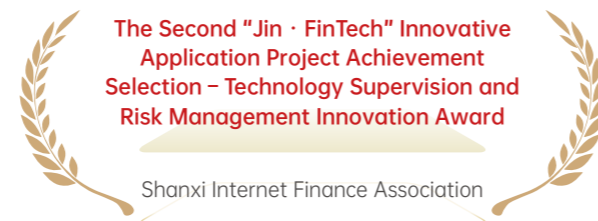
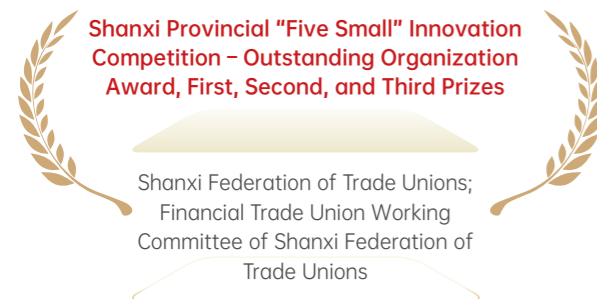
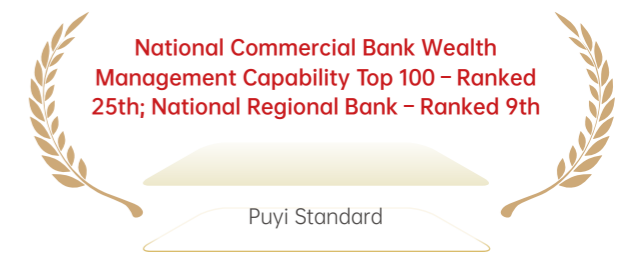
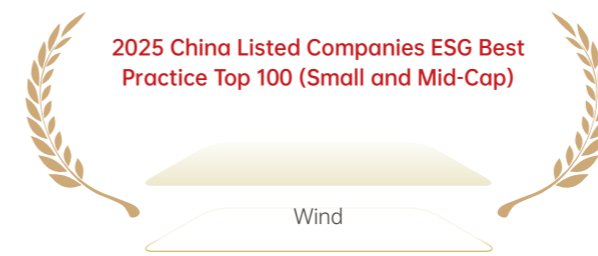
RMB **311.054** billion



Bank's total loans reached

RMB **217.626** billion

Awards and Honors



Board Statement

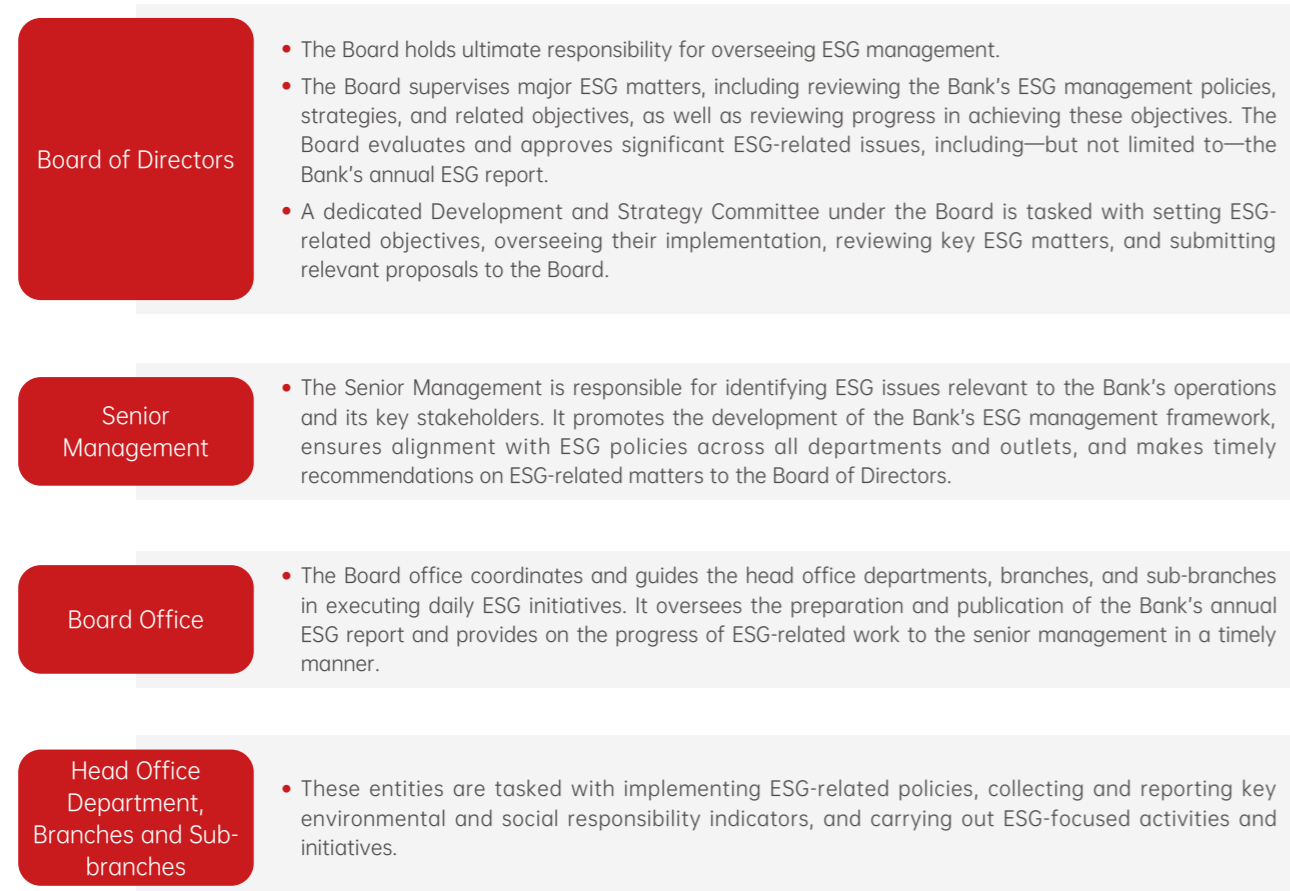
To effectively embed the concept of sustainable development, the Bank has established a top-down ESG management structure composed of the Board of Directors-senior management-head office departments, and Branches. This design ensures the accurate assessment and management of environmental and social risks and opportunities and guides the formulation of strategies to drive the Bank's high-quality growth.

The Bank strictly complies with HKEX's relevant requirements and actively implements its Development Strategy Planning Goals for 2021-2025. In line with the concept of sustainable development, and the market positioning of "serving the local economy, serving micro, small and medium enterprises (MSMEs), serving urban and rural residents", the Bank remains committed to continuously improving its ESG management system.

The Board of Directors and its special committees are responsible for reviewing ESG-related proposals, including those on green finance. In 2025, they reviewed and approved the *2024 Environmental, Social and Governance Report of Jinshang Bank Co., Ltd.* (《晉商銀行股份有限公司2024年度環境、社會及管治報告》) and the *2024 Environmental Information Disclosure Report of Jinshang Bank Co., Ltd.* (《晉商銀行股份有限公司2024年度環境信息披露報告》), which provided systematic feedback and clear requirements regarding the Bank's ESG measures.

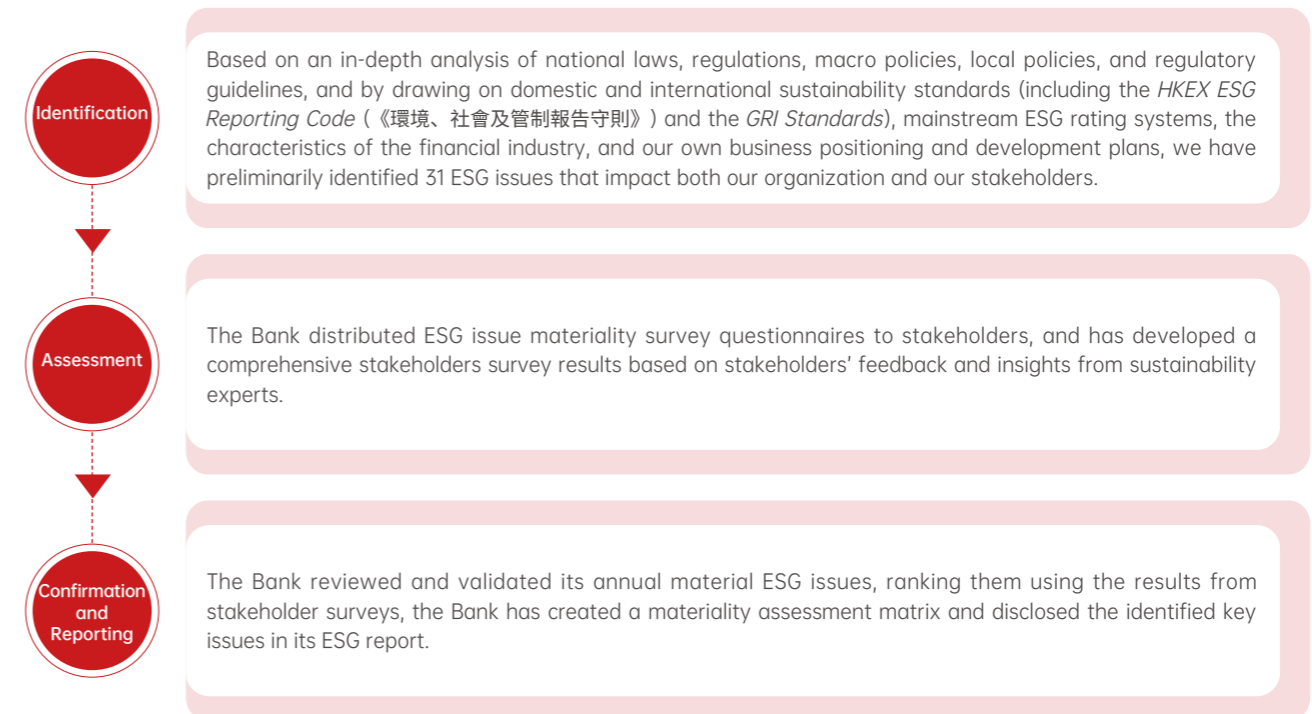
ESG Governance

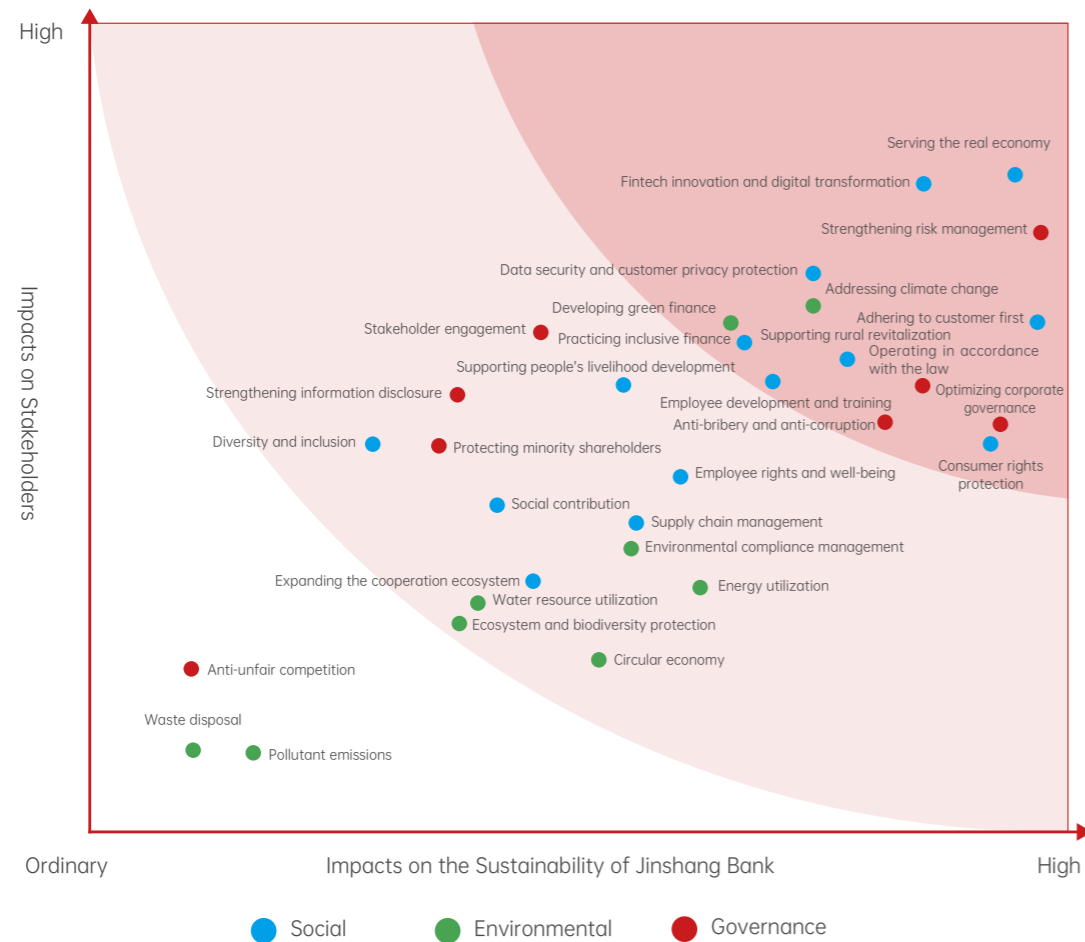
ESG Management Structure



Materiality Assessment

In strict compliance with the "materiality" principle set forth in the *HKEX Environmental, Social and Governance Reporting Code (ESG Reporting Code)*, the Bank conducted an annual materiality analysis of sustainability topics from two dimensions: "impact on stakeholders" and "impact on Jinshang Bank's sustainable development". The process is carried out as follows.





Core Issues

- 01 Serving the real economy
- 02 Strengthening risk management
- 03 Adhering to customer first
- 04 Fintech innovation and digital transformation
- 05 Data security and customer privacy protection
- 06 Supporting rural revitalization
- 07 Addressing climate change
- 08 Practicing inclusive finance
- 09 Developing green finance
- 10 Supporting people's livelihood development
- 11 Consumer rights protection
- 12 Anti-bribery and anti-corruption
- 13 Operating in accordance with the law
- 14 Optimizing corporate governance

Key Issues

- 15 Diversity and inclusion
- 16 Employee rights and well-being
- 17 Stakeholder engagement
- 18 Strengthening information disclosure
- 19 Social contribution
- 20 Employee development and training
- 21 Supply chain management
- 22 Energy utilization
- 23 Protecting minority shareholders
- 24 Environmental compliance management
- 25 Expanding the cooperation ecosystem
- 26 Water resource utilization
- 27 Ecosystem and biodiversity protection
- 28 Circular economy

General Issues

- 29 Anti-unfair competition
- 30 Pollutant emissions
- 31 Waste disposal

Stakeholder Engagement

The Bank has actively fulfilled its social responsibilities while safeguarding the fundamental rights of all stakeholders throughout its operations. Based on the unique characteristics of the financial industry and its own operational circumstances, the Bank has identified key stakeholders, including governments, regulatory bodies, shareholders and investors, customers, employees, suppliers and partners, as well as communities. To strengthen effective communication with each group, the Bank continued to develop diverse communication channels, actively listened to and responded to stakeholder concerns, and established transparent and timely mechanisms to ensure that stakeholders receive comprehensive and up-to-date information on the Bank's ESG practices and performance.

Stakeholders' Expectations and Demands and Jinshang's Responses

Stakeholder	Expectations and Demands	Communication Methods	Responses
Government	<ul style="list-style-type: none"> Serving Shanxi's development Supporting the real economy Implementing the "Five Major Areas of Finance" Promoting energy transition Advancing the "Dual Carbon" goals Promoting rural revitalization 	<ul style="list-style-type: none"> Government documents and guidelines Reports on specific subjects Information distribution Work meetings 	<ul style="list-style-type: none"> Deepening government-bank collaboration Promoting the implementation of key projects Strengthening support for private and MSEs Expanding green lending Increasing support for transition finance
Regulatory Authorities	<ul style="list-style-type: none"> Corporate governance Compliant operations Comprehensive risk management Information disclosure Fulfilling corporate responsibility 	<ul style="list-style-type: none"> Regulatory policies Work reports Research visits Public announcements Data reports 	<ul style="list-style-type: none"> Strengthening internal control systems Improving risk management frameworks Ensuring timely and high-quality information disclosure
Shareholders and Investors	<ul style="list-style-type: none"> Corporate strategic plans Protecting shareholders' rights and interests Industry competitiveness 	<ul style="list-style-type: none"> Shareholders' general meetings Investor communications Investor service hotline Information disclosure 	<ul style="list-style-type: none"> Improving corporate governance structure Strengthening investor relations Implementing development strategies and accurate information disclosure
Customers	<ul style="list-style-type: none"> Protecting customer rights Protecting customer privacy Data security Application of fintech Product innovation 	<ul style="list-style-type: none"> Questionnaire Customer service hotline Online surveys Digital platforms Publicity campaigns 	<ul style="list-style-type: none"> Improving consumer protection mechanism Improving customer service quality Optimizing business processes Launching core systems Innovating financial products
Employees	<ul style="list-style-type: none"> Compensation and welfare Protection of rights and interests Training and development Employee support and care 	<ul style="list-style-type: none"> Employee Representative Congress Labor union Suggestion mailbox Feedback 	<ul style="list-style-type: none"> Improving compensation incentives Developing the welfare system Establishing a sound training system Organizing various activities
Suppliers and Partners	<ul style="list-style-type: none"> Responsible procurement Management of ESG risks of the supply chain 	<ul style="list-style-type: none"> Sunshine purchase Cooperation agreements 	<ul style="list-style-type: none"> Improving the procurement management system Strengthening communication
Community	<ul style="list-style-type: none"> Charity activities Local Operations 	<ul style="list-style-type: none"> Forums and sessions Visits Donations 	<ul style="list-style-type: none"> Charity activities Volunteer service Donations to schools



Leveraging the "Five Major Areas of Finance" to Energize the Regional Economy

Special Feature



In strict accordance with the *Guiding Opinions of the General Office of the State Council on Strengthening the "Five Key Areas of Finance"* (《關於做好金融「五篇大文章」的指導意見》), Jinshang Bank has formulated and implemented its *Action Plan for Strengthening the "Five Key Areas of Finance"* (《晉商銀行關於做好「五篇大文章」的行動方案》), and established a dedicated leadership group for the initiative. Through accelerating business transformation, innovating financial products and services, comprehensively enhancing the quality and efficiency of financial services, and cultivating new quality productive forces adapted to local conditions, the Bank provides strong financial support for the high-quality transformational development of Shanxi Province.

Technology Finance



- Positioned technology finance as a strategic direction with a focus on breakthroughs in the "Six New" sectors. Through a dual-engine service model combining "financing and intellectual support", the Bank supported the full lifecycle development of technology enterprises and new R&D institutions.
- Successfully facilitated the first sci-tech innovation bond in Shanxi Province, contributing to the development of the "Technology Board" in the bond market.
- Established a value-added service platform for technology finance, integrating advisory support, resource integration, and management enhancement to safeguard the growth of sci-tech enterprises.
- As of the end of 2025, the Bank's credit balance for technology enterprises reached RMB**17.916** billion, an increase of **19.49%** from the beginning of the year.

Green Finance



- Developed a diversified product system comprising Green Loans, Green, Green Innovative Financing, and Green Direct Financing".
- Continuously enhanced its climate risk management system by fully integrating climate and environmental risk factors into business processes and decision-making mechanisms, advancing the development of a climate-friendly bank.
- Formulated and rolled out credit policies for seven high-carbon industries, covering coal, steel, non-ferrous metals, thermal power, chemicals, and other resource-based sectors.
- Established a Green Finance Center with a professional green finance team; and created green finance demonstration outlets across various branches.
- As of the end of 2025, the Bank's green loan balance reached RMB**15.217** billion, including RMB**4.305** billion to energy conservation and carbon reduction, RMB**860** million to environmental protection, RMB**3.681** billion to resource recycling, RMB**725** million to green and low-carbon energy transition, RMB**2.379** billion to ecological protection, restoration, and utilization, RMB**2.942** billion to green infrastructure upgrades, RMB**214** million to green services, RMB**94** million to green trade, and RMB**17** million to green consumption.

Inclusive Finance



- Offered tailored products for diverse inclusive customer groups, including MSEs, individual merchants, and supply chain enterprises. These products include "Jinshang e-Loan · QR Code MSE Loan (晉商貸·碼上貸)", "Enterprise Procurement Easy Loan (企采易貸)", "Government Procurement Quick Loan (政采快貸)", "Supply Chain Loan (聯鏈融)", "Core Upstream and Downstream Credit Loan (核心上下遊信用貸款)", etc. Based on the "QR Code MSE Loan", it has launched scenario-specific products such as "QR Code MSE Loan for Sheep Farming (碼上羊氣)", "QR Code MSE Loan for Procurement (碼上晉采)", "QR Code MSE Loan for Clothing Wholesale (碼上享服)", and "QR Code MSE Loan for Renewal (碼上煥新)".
- Advanced the digitalization of inclusive finance by launching the "Jinshang Bank Inclusive Finance (晉商普惠)" online service function, providing convenient and efficient comprehensive financial services for targeted customers.
- Steadily carried out the "SME Visits (千企萬戶大走訪)" outreach initiative, reaching deep into industrial parks, communities, and villages to comprehensively assess the financing needs of MSEs.
- As of the end of 2025, the Bank's inclusive loans to MSEs reached RMB**13.473** billion, with a loan growth rate of **16.61%** and over ten thousand active loan accounts.

Pension Finance



- Leveraged financial resources to advance the development of the elderly care industry in Shanxi Province, including participating in the regional aging industry landscape, selectively supporting the development of elderly care bases in rural tourism, eco-tourism, and traditional Chinese medicine tourism destinations, and strengthening efforts to cultivate leading health and elderly care enterprises and industrial clusters in Shanxi.
- Enhanced the provision of elderly care services by creating an online "Three-Minute Living Circle" centered on daily needs; collaborated with hospitals, sub-districts, communities, business districts, and nursing homes to deliver comprehensive, "full-chain" financial services across integrated scenarios.
- Implemented preferential internal fund transfer pricing (FTP) policies and established a dedicated adjustment mechanism for the elderly care sector; incorporated pension finance targets into the head office's performance assessment to guide the Bank's resource allocation toward this area.
- Issued age-friendly service standards, such as the *Guidelines on Elderly Customer Service of Jinshang Bank* (《晉商銀行老年客戶服務指引》), and integrated these requirements into all aspects of customer experience, including product development, branch optimization, electronic channel construction, and customer rights sharing, thereby comprehensively improving age-friendly service levels.
- As of the end of 2025, the Bank's loan balance for the elderly care industry stood at RMB**348** million.

Digital Finance



- Deepened AI application by launching over 10 large model application scenarios, such as "Smart Financial Assistant (財小秘)" and "Smart Document Review (智能審單)", while continuously advancing the implementation of scenario-based applications like digital humans.
- Enhanced customers' digital interaction experience by launching Mobile Banking version 7.0 and continuously promoting the development of online banking and remote banking, creating an integrated, multi-channel, unified-access remote service capability. In 2025, the Bank's mobile banking transaction volume exceeded 16 million transactions.
- Continuously strengthened digital risk control capabilities by improving the digital risk control system, and achieved an upgrade in risk management across mechanisms, technology, and data, enhancing the level of refined risk management.
- Solidified its technological foundation by creating cloud computing infrastructure and continuously improving its technology and business mid-platforms, thereby establishing an independent, controllable, secure, and reliable technology base.

Jinshang Bank closely aligns with of Shanxi's "Dual Transformation" (industrial transformation and digital transformation) strategic blueprint. Giving full play to its role as a main financial force and pacesetter among local banks, the Bank focuses on the key directions and weak links in Shanxi's economic and social development. It continuously strengthens the supply of financial products and services, providing comprehensive financial support for accelerating the construction of a modern industrial system with distinctive Shanxi characteristics.

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Serving the Real Economy

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Promoting Rural Revitalization

Forging Ahead Continuously

01

Contributing to High-quality
Economic Development



Serving the Real Economy

The Bank consistently upholds the fundamental principle of directing financial services to serve the real economy. By proactively identifying financing needs and securing essential resources, it empowers the real economy through multiple channels and at various levels—channeling financial vitality into the fertile ground of high-quality development.

Building a New Ecosystem for Technology Finance

In active response to the Notice issued by seven ministries and commissions, including the Ministry of Science and Technology and the People's Bank of China, on *Issuing the Several Policy Measures for Accelerating the Development of a Technology Finance System to Strongly Support High-Level Technological Self-Reliance and Self-Strengthening* (《關於<加快構建科技金融體制 有力支撐高水平科技自立自強的若干政策舉措>的通知》), the Bank has identified technology finance as its strategic direction for future development. Focusing on breakthroughs in the "Six New" sectors, it has established a technology finance system that integrates "governments + banks + guarantee companies + insurance companies + venture capital investors + technology service intermediaries". Specific measures include promoting the effective alignment of financial and technological resources, innovating financial products, enhancing service capabilities, and adopting a dual-engine service model combining "financing and intellectual support".

Strengthening Top-Level Design

The Bank has established and refined mechanisms for the development of technology finance, laying a solid foundation for the high-quality growth of its technology finance business and continuously empowering technological innovation and industrial upgrading.

Establishment of specialized institutions for technology finance

- The Bank set up the High-tech Zone Technology Sub-branch as a specialized institution dedicated to technology finance, with a focus on supporting the development of technology enterprises.

Enhanced preferential terms for technology loans

- The Bank introduced preferential FTP policies for technology finance loans, providing differentiated policy support and interest rate preferences for newly issued and renewed technology finance loans.

Establishment of an internal performance assessment framework for technology finance

- The Bank incorporated the growth of technology finance into the performance evaluation system for senior management, significantly increased the weight of technology-finance-related indicators in its internal performance assessment, and continuously improved the mechanism for due diligence exemptions.

Increasing Credit Support

The Bank has built a suite of financial products and service models covering the full lifecycle of technology enterprises. It offers targeted products and services tailored to the distinct financing needs of enterprises at the growth and maturity stages. By the end of 2025, the Bank's outstanding credit balance for technology enterprises was RMB17.916 billion, representing a year-on-year increase of 19.49%.

Serving growth-stage technology enterprises

- In response to the characteristics of growth-stage technology enterprises, such as a strong focus on technology and a light asset structure, the Bank utilizes models like intellectual property pledge and equity pledge to unlock enterprises' intangible assets. It also provides financial support to enterprises with a certain market share and core intellectual property through credit loan models such as "Loan for specialized and sophisticated business (「專精特新」貸)".
- Through supply chain finance solutions such as factoring, bill pledge, order financing, and credit loans for upstream and downstream enterprises linked to core businesses, the Bank increases credit support for technology MSMEs, offering services to stabilize and strengthen the technology industry chain.



Case Financial Support for the Intelligent Manufacturing Industry

An intelligent manufacturing company in Shanxi specializes in key component manufacturing, low-stress manufacturing technology, and 3D additive manufacturing. It possesses full-process production capabilities spanning R&D, pilot testing, and mass production. Its products are widely used in strategic sectors such as aerospace, energy and power, and defense equipment. The company has been recognized as a "Specialized, High-end, Distinctive and Innovation-driven" SME in Shanxi Province, a "Gazelle Enterprise" in Shanxi Province, and a National Intelligent Manufacturing Demonstration Factory. The Bank proactively reached out to the company and provided efficient services, extending RMB40 million in credit support to precisely facilitate its production capacity expansion and technological upgrading—channeling financial resources to fuel innovation and development in high-end manufacturing.

Serving mature-stage technology enterprises

- For mature-stage technology enterprises, the Bank designs differentiated financial service plans under a "One Enterprise, One Policy" approach. In addition to traditional credit support, it assists technology enterprises that meet bond issuance requirements in issuing technology innovation bonds and sci-tech notes, and collaborates with securities firms to establish credit protection instruments, thereby broadening direct financing channels.
- For mature-stage technology enterprises with needs for strategic integration, industrial restructuring, or mergers and acquisitions, the Bank provides M&A loans to support their consolidation and integration efforts.



Case Jinshang Bank Underwrites Shanxi's First Sci-Tech Innovation Bond

In 2025, the Bank successfully underwrote three sci-tech notes for an enterprise in Taiyuan, totaling RMB2.5 billion. One of these bonds was the first sci-tech innovation bond implemented in Shanxi Province following the issuance of the *Notice on Launching Sci-tech Innovation Bonds to Build a "Technology Board" in the Bond Market*(《關於推出科技創新債券 構建債市「科技板」的通知》) by the National Association of Financial Market Institutional Investors. This initiative not only reflects the Bank's swift response to regulatory guidance and its ability to seize market opportunities, but also represents a valuable exploration in using innovative debt financing instruments to serve regional technology enterprises and expand their financing channels.



Case Finance Empowers the Sodium-Ion Battery Industry

The sodium-ion battery industry is a national strategic emerging industry. A sodium-ion company in Shanxi, a pioneer in this field, has built a 1GWh sodium-ion Pack battery production line, which includes a cylindrical cell and Pack line with a designed capacity of 400MWh and a prismatic cell and Pack line with a designed capacity of 600MWh. Its products are primarily used in the new energy vehicle sector. To support the company in scaling up production and advancing technological iteration, the Bank proactively provided RMB76.94 million in credit support, using financial strength to accelerate the development of this advanced new energy frontier industry.

Deepening Technology Services

The Bank is dedicated to building a value-added service platform for technology finance, elevating its offerings from standalone capital provision to comprehensive empowerment. Designed to address the diverse needs of technology enterprises, the platform integrates functions such as advisory support, resource integration, and management enhancement—accompanying these enterprises on their growth journey with a broader vision, deeper engagement, and an exceptional experience.

Building a Value-Added Service Platform for Technology Finance

Financial advisory

The Bank fully leverages its financial advisory capabilities to provide value-added services to technology enterprises in areas such as corporate governance, financial management, customer development, and strategic planning, helping them clarify their development direction and achieve compliant and stable growth.



Fund management

Through systems such as Bank-enterprise Link (銀企直連), Jinshan Payroll Manager (晉薪管家), and Smart Factory (智慧工廠), the Bank helps start-up technology enterprises standardize their fund management processes, strengthen the integration of corporate and personal banking services, and capture enterprise settlement and working capital flows.



Cooperation expansion

The Bank engages in tripartite collaboration with technology enterprises and customers. By providing financial support to technology enterprises, it enables them to build service platforms for their customers, through which the Bank can collect customer settlement funds or offer other derivative financial services such as online financing and letters of guarantee.

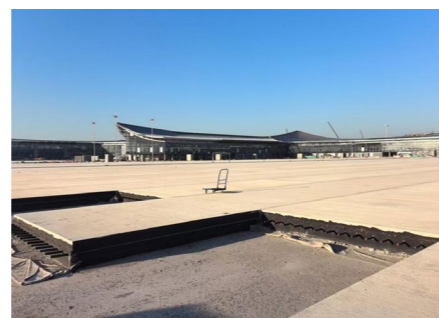


Advancing New-Type Urbanization

In line with the *Regarding the Issuance of Implementation Plan for the People-Centered New-Type Urbanization Strategy of Shanxi Province (2025–2029)* (《關於印發〈山西省深入推進以人為本的新型城鎮化戰略實施方案(2025—2029年)〉的通知》) issued by the People's Government of Shanxi Province, the Bank is optimizing resource allocation and innovating service models to provide comprehensive financial support for urban infrastructure upgrades, the improvement of public services, and the enhancement of living environments. These efforts are aimed at helping build livable, resilient, and smart cities.

Case Jinshang Ban Supports Key Infrastructure Project in Shanxi

In line with national strategies, Jinshang Bank's Comprehensive Reform Demonstration Zone Sub-branch provided targeted support for a key provincial infrastructure project—the third-phase expansion of Taiyuan Wusu International Airport. Upon learning that suppliers of construction materials such as crushed stone were facing financial strain due to the "Supply First, Payment Later" model, the Bank developed an innovative supply chain financing solution. Phased drawdown conditions were set based on project milestones and invoicing schedules, ensuring that fund disbursements aligned with the construction progress while effectively mitigating financial risks. A fast-track approval mechanism was introduced, featuring a "green channel", designated account managers, and set deadlines, which shortened the average approval time to within three working days and significantly improved financing efficiency. By the end of 2025, the Bank had extended RMB93 million in credit, providing strong support for the project's advancement.



▶ Construction site of the Taiyuan Wusu International Airport Phase III Expansion and Renovation Project

Energizing the Cultural Tourism Industry

Leveraging its regional resource advantages, the Bank supports the development of Shanxi's cultural industry by expanding credit scale and optimizing service mechanisms. It focuses on cultural tourism integration projects and the cultivation of cultural innovation industries, providing vital support for the leapfrog development of Shanxi's cultural tourism sector.

Case Reborn of an Ancient Town: Finance Safeguards Xinzhou Ancient City

Originally built during the Eastern Han Dynasty, Xinzhou Ancient Town is a renowned historical and cultural landmark along the China-Russia Tea Road. Now a national AAAA tourist attraction, it is being developed into a cultural tourism complex that integrates cultural exhibitions, commercial leisure, and folk experiences. The Bank adopted a tailored "One Enterprise, One Policy" financial service plan and set up a green channel to ensure efficient credit approval. It provided a comprehensive service package, embedding credit, settlement, payroll agency, and other financial services across the project lifecycle. By the end of 2025, it had extended RMB460 million in credit support to the Xinzhou Ancient Town Phase II Project, the Xinzhou Xiurong Ancient Town Commercial Street Tourism Activation Project, and the Xinzhou Ancient Town Phase V Project, effectively contributing to the preservation of the city's cultural heritage.



▶ Xinzhou Ancient Town bustling with visitors, with popularity continuing to grow

Advancing New Practices in Cross-Border Finance

The Bank actively fosters a market-oriented, law-based, and internationalized business environment. It continuously refines basic financial services, expands the scope of foreign-related financial scenarios, and enhances service capabilities. At the same time, it strengthens regulatory coordination and rigorously upholds internal control and compliance requirements, steadily improving the quality and efficiency of its cross-border financial services.

Case Jinshang Bank Completes Shanxi's First "Port Cloud Warehouse" Receipt Financing Transaction

In 2025, as the first pilot institution in Shanxi to offer "Port Cloud Warehouse" platform services, the Bank successfully handled the Shanxi's first warehouse receipt pledge financing transaction using the platform—marking the first implementation of the "Port Cloud Warehouse" in an inland province. By leveraging SAFE's cross-border financial service platform and connecting with the electronic warehouse receipt system of a port group in Shandong Province, the Bank accurately obtained information on the enterprise's warehoused cargo rights. It then provided financing support, effectively unlocking the value of the enterprise's existing assets and establishing a replicable model for digital warehouse receipt-based financial services.

Case Jinshang Bank Completes the Shanxi's First Cross-Border RMB Settlement for Bonded Aircraft Procurement

In 2025, the Bank precisely addressed the import needs of an aviation group, successfully handling a cross-border RMB payment of RMB 217 million on its behalf. The funds were transferred directly to the settlement bank designated by the UK seller. The transaction was carried out under the new "Bonded Procurement + Leasing Trade" model introduced for enterprises in the Shanxi Transformation Comprehensive Reform Demonstration Zone and represents the province's first cross-border RMB settlement for aircraft purchases. It marks a concrete step toward facilitating trade and advancing the development of cross-border RMB business in Shanxi.

Deepening Inclusive Finance

Based on the economic and social realities of Shanxi Province, the Bank continues to strengthen its inclusive finance service system. Through product innovation, service optimization, and enhanced risk management, it is building an "extensive, sustainable, and Supportive" inclusive finance framework. This approach supports the transition of inclusive finance from being policy-driven to value-creating, while enhancing the brand presence of "Jinshang Inclusive Finance (晉商普惠)". As of the end of 2025, the Bank's outstanding inclusive MSE loans reached RMB13.473 billion, representing a growth rate of 16.61%, with over 10,000 active borrowing households.



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16.61%

Optimizing Mechanisms to Enhance the Quality and Efficiency of Inclusive Finance

The Bank is steadily improving its inclusive finance service system. It has established a dedicated task force to coordinate financing support for MSEs. The task force is led by the Bank's Deputy Party Secretary, Vice Chairman, and President, who oversees overall coordination. At the operational level, a three-tier inclusive finance management structure ("Head Office — Branch — Sub-branch") has been put in place to create synergies and deliver targeted services, significantly strengthening support for MSEs.

The Bank continues to refine its inclusive finance mechanisms by directing credit resources more effectively, strengthening performance incentives, streamlining approval process, and introducing a due diligence exemption mechanism—all aimed at promoting high-quality development in inclusive finance.

Credit Support

- Further increased the preferential margin for internal funds transfer pricing (FTP) for MSE credit.

Performance Incentives

- Introduced management policies such as the *2025 SME Business Performance Assessment Measures of Jinshang Bank* (《晉商銀行2025年小企業條線績效考核辦法》), which include "Inclusive MSE Loan" as a key performance indicator for branches.

Approval Efficiency

- Issued the *Notice on Strengthening Timeliness Management in the Review and Approval of Inclusive Credit* (《關於強化普惠授信業務審查審批時效管理的通知》). A time-limited approval mechanism has been established to ensure efficient processing of inclusive and MSE credit under the head office's purview, while also strengthening the management of operational and compliance risks.

Due Diligence Exemption

- In line with the *Notice on Due Diligence Exemption in Inclusive Credit* (《關於強化普惠授信業務審查審批時效管理的通知》) issued by the National Financial Regulatory Administration, the Bank has formulated the *Implementation Rules for Due Diligence Exemption in Inclusive Credit of Jinshang Bank* (《普惠信貸盡職免責工作實施細則》). These clarify the responsibilities and exemption conditions for credit personnel serving MSEs, thereby supporting the sustainable and healthy growth of inclusive credit.

Diversifying Offerings to Deepen Inclusive Reach

Targeting diverse inclusive customer groups—including MSEs, individual merchants, and supply chain upstream and downstream partners—the Bank is committed to building a multi-tiered, extensive, and differentiated portfolio of inclusive financial products and services, effectively enhancing both accessibility and suitability. In 2025, the Bank advanced its "SME Visits" outreach initiative, reaching deep into industrial parks, communities, and villages to gain a comprehensive understanding of financing needs. This effort ensures that credit funds reach the grassroots in a fast, convenient, and cost-effective manner, truly delivering the benefits of finance to businesses and individuals.

Supporting MSEs

Jinshang e-Loan · QR Code MSE Loan

- Refers to loan services that leverage technologies such as the internet, mobile communications, biometrics, and artificial intelligence. Using big data associated with customers, it enables customers to apply for loans online independently and conveniently.
- In 2025, building on "Jinshang e-Loan · QR Code MSE Loan", the Bank launched scenario-based products including "QR Code MSE Loan - Express Version (碼上貸—極速版)", "QR Code MSE Loan for Sheep Farming", "QR Code MSE Loan for Procurement", "QR Code MSE Loan for Clothing Wholesale", and "QR Code MSE Loan for Renewal". These offerings provide customers with one-stop, streamlined financial service solutions and help build a distinctive brand identity for "Jinshang e-Loan".

Enterprise Procurement Easy Loan

- Refers to a loan extended to suppliers that have won bids for procurement projects of state-owned enterprises.

Government Procurement Quick Loan

- Refers to a revolving loan product extended to MSMEs that have won government procurement contracts, with contract proceeds serving as the primary repayment source.

Bank-Guarantee Cooperation Loan (銀擔合作貸款)

- Refers to in collaboration with Shanxi Financing Guarantee Co., Ltd. (山西省融資擔保有限公司), the Bank launched "Financing Guarantee Easy Loan (融擔易貸)" and "Startup Guarantee Loan (創業擔保貸款)", two products designed to provide more accessible financing support for MSEs and individual merchants. By integrating the data systems of both parties, the Bank achieved seamless data exchange for guarantee operations, streamlining loan approval and guarantee processes and significantly improving service efficiency.

Loan Renewal Connect (續貸通)

- Refers to a loan product that supports existing MSEs by allowing them to renew principal without repayment.



Case QR Code MSE Loan Benefits a Wide Range of Businesses and Merchants

Driven by digital transformation, the Bank innovatively launched the "Jinshang e-Loan · QR Code MSE Loan" product, using technology to bridge the "last mile" of inclusive finance. By the end of 2025, it had supported nearly 7,000 MSEs and individual merchants, extending over RMB1.4 billion in credit—truly channeling financial resources to a broad spectrum of businesses and merchants.

Following the nationwide rollout of consumer subsidy policies, a technology trading company in Taiyuan experienced a sharp increase in sales but faced working capital pressure. Considering the company's operating characteristics and financing needs as a subsidy-participating merchant, the Bank tailored a specialized credit product, "QR Code MSE Loan for Renewal", providing RMB3 million in credit to effectively address its working capital challenges.

At the Taiyuan Xinxicheng Shopping Plaza, Ms. Yan, who runs a children's clothing store, obtained RMB300,000 in working capital through "QR Code MSE Loan". This allowed her to seize the business opportunities of the pre-Spring Festival peak season, resolve her working capital shortage, and maintain a competitive edge in a challenging market.

Supporting Upstream and Downstream Supply Chain Enterprises

- Focusing on supply chain scenarios, the Bank has launched specialized financing products such as "Supply Chain Loan", "Core Upstream Credit Loan", "Core Downstream Credit Loan", and "MSE Bill Pledge Loan (小微企業質票貸)". These products are designed to alleviate the financing difficulties and high costs faced by MSEs, supporting their stable operations and enhancing the overall efficiency of supply chain collaboration.

Leveraging Digital Engines to Unlock Inclusive Momentum

The Bank deeply advanced the digitalization of its inclusive finance business. Relying on digital technologies such as big data and artificial intelligence, it further expanded online service boundaries, optimized business processes, and improved service efficiency, making inclusive financial services more accessible.

Strengthening Platform Construction

Deepened the digitalization of inclusive finance by creating the "Jinshang Inclusive" online service portal, which further expands online financing channels, allowing customers enjoy self-service financing anytime, anywhere. This provides inclusive customer groups with seamless, end-to-end service access at their fingertips.

Optimizing Business Processes

Continuously optimized its online business processes by introducing self-service applications, intelligent risk control models, and online disbursement. This has enabled a rapid closed-loop process from application submission to loan disbursement, significantly improving service efficiency and effectively addressing the "short-term, frequent, and fast" financing needs of inclusive customer groups.

Integrating Data Resources

Actively integrated internal and external data resources. Based on improving access to external data, the Bank systematically advanced internal data governance to build a precise and efficient inclusive finance customer sample database. Relying on this database, it enables precise customer profiling, driving the transformation of credit services toward intelligence and refinement, further enhancing the coverage and effectiveness of financial services.



Practicing the Principle of "Finance for the People"

The Bank embraces its responsibility to deliver tangible benefits to the public through financial services. Guided by the needs of the people, it continued to innovate financial products, refine service offerings, and steadily improve the quality of financial services in areas critical to people's livelihoods, thereby meeting the diverse financial needs of the community.

Building an Ecosystem for Elderly Care Finance

In line with the *Guiding Opinions on Financial Support for the Development of Elderly Care with Chinese Characteristics and High-Quality Growth of the Silver Economy* (《金融支持中國式養老事業 服務銀發經濟高質量發展的指導意見》) issued by nine government departments, including the People's Bank of China, the Bank is committed to advancing elderly care finance. By leveraging financial resources, it helps ensure that the elderly are well cared for, have access to medical services, can continue to contribute to society, have opportunities for lifelong learning, and enjoy a fulfilling life—supporting the national strategy for proactively addressing population aging.

Supporting the Development of the Elderly Care Industry

The Bank actively implements preferential internal FTP policies and has established a dedicated adjustment mechanism for the elderly care industry. It has incorporated elderly care finance development targets into the head office's performance assessment framework, directing resources toward this sector and steadily increasing credit support. As of the end of 2025, the Bank's outstanding loans to the elderly care industry totaled RMB348 million.

Active participating in the elderly care industry landscape

- In alignment with Shanxi Province's "Urban Agglomeration, Two Demonstration Zones, Three Township Circles" (一群兩區三圈) urban-rural regional development plan, the Bank actively supported the development of the elderly care industry ecosystem. It focused on pilot projects integrating agriculture, forestry, culture, tourism, and health across the three major tourism zones—Yellow River, Great Wall, and Taihang Mountains—by strengthening financial linkages to foster complementary strengths and coordinated growth of the regional aging industry.

Selective supporting elderly care bases

- Provided targeted support to rural tourist destinations, eco-tourism sites, and traditional Chinese medicine tourism destinations that are well-suited for senior travel and retirement living. This support facilitates the development of diverse, multi-tiered tourism products for the elderly.

Cultivating leading enterprises and industrial clusters

- Helped to cultivate a group of leading enterprises with distinct strengths, standardized management, quality services, and strong operating performance.
- Helped to develop a new generation of branded, scaled, and influential elderly care service providers.
- Helped to form industrial clusters characterized by extensive supply chains, broad coverage, and significant economic and social benefits—thereby supporting the growth of the health and wellness industry in Shanxi Province.

Innovating the Pension Finance Product System

The Bank continued to improve its pension finance product system, focusing on developing or introducing diversified financial services and products that meet the needs of the elderly, such as payments, savings, government bonds, wealth management products, insurance policies, mutual funds, and fiduciary trusts. It actively studied relevant supporting policies, striving to build an pension finance product line covering the entire customer lifecycle, more precisely meeting the differentiated financial needs of elderly customers of different ages and risk preferences, and enhancing the accessibility of pension finance services.

Case Jinshang Bank Wins Multiple Awards in the Inaugural Competition on Retirement Finance and Wealth Planning

In 2025, the inaugural "Competition on Retirement Finance and Wealth Planning", hosted by the Financial Planning Standards Board (China), concluded successfully. The competition attracted over 50,000 participants from more than 2,000 financial institutions in China. Jinshang Bank won one Excellence Gold Award, four Glory Silver Award, and seven Outstanding Bronze Awards for individuals, and three Silver and Elite Awards for teams, fully demonstrating the professional strength of the Bank's participants. In the future, the Bank will continue to deepen its strategies in pension finance and wealth management, safeguarding people's well-being with professional capabilities and injecting more financial strength into regional livelihood security and economic development.

Strengthening the Supply of Elderly Care Services

The Bank actively participates in building a multi-level, professional elderly care financial service system. By innovating service models, and strengthening the supply of elderly care services, it better ensures the well-being of the elderly, enabling them to enjoy a happy old age.

Creating an online "three-minute" living circle

Focusing on the dietary, medical, educational, travel, and other life needs of elderly customers, the Bank strengthened the cooperation of its online service channels such as mobile banking with the "Healthy Shanxi" (康養山西) Smart Elderly Care Service Platform as well as mainstream third-party platforms. It specially created a "three-minute" living circle for elderly customers according to their financial needs.

Creating a "full-chain" elderly care alliance

Strengthened cooperation with hospitals, sub-district offices, communities, business districts, nursing homes, senior citizen universities, and high-quality cooperative clients. Through events popular with the elderly, such as party-building activities, reciprocal events, public lectures, and merchandise discounts, the Bank expanded cooperation with non-banking partners, extending financial services to the "full chain" and "full scenarios", truly helping the elderly solve life's problems while enhancing their sense of experience, gain, and happiness.

Providing Community Finance to Better Serve People's Daily Lives

The Bank continued to extend a wide range of services—such as daily convenience and community finance—into residential neighborhoods, bridging the "last mile" to provide residents with more convenient, accessible, and supportive financial services and experiences.

Supporting Government Services

The Bank actively participated in the "One Card for All" (一卡通) initiative led by the Department of Human Resources and Social Security of Shanxi Province, with a strong commitment to delivering efficient and convenient social security card services, including issuance, replacement, and public outreach. Currently, the Bank offers comprehensive social security card services in key regions including Taiyuan, Lvliang, Changzhi, Datong, Xinzhou, Yangquan, and Jincheng. In collaboration with the Taiyuan Municipal Bureau of Human Resources and Social Security, it has launched a "Finance + Social Security" one-stop convenience service model. Through integrated systems and streamlined processes, the Bank has achieved "truly letting data do the legwork" —further enhancing the coverage and customer satisfaction of social security card services.

Facilitating Resident Payments

The Bank has expanded its cooperation with external institutions in key areas such as government services, education, and public utilities, making it easier for residents to make payments. By the end of 2025, the Bank had processed over 40,000 agency collection transactions through its "Sanjin Cloud Payment" (三晉雲繳費) platform, with a total value of nearly RMB30 million, delivering a more efficient and convenient payment experience.



By the end of 2025, the Bank had processed over **40,000** agency collection transactions through its "Sanjin Cloud Payment" platform



with a total value of nearly **RMB 30** million



In the public utilities sector

The Bank continued to enhance its cloud payment system to cover a wide range of payment scenarios. It has enabled online collection of common fees such as heating and water bills, significantly improving daily convenience for residents.



In the education sector

The Bank deepened cooperation with educational institutions and has launched smart campus products. These solutions include online collection of tuition and miscellaneous fees, supporting the digital transformation of campus management.



In the healthcare sector

The Bank actively advanced system integration with the National Healthcare Security Administration and the Healthcare Security Bureau of Shanxi Province. It has introduced functions such as medical insurance electronic voucher code scanning and consumption record inquiries, making medical insurance services more efficient and accessible.



In the community services sector

The Bank focused on building a smart community platform that provides services such as property fee collection, helping improve community management efficiency and enhancing residents' quality of life.

Enhancing "Finance+" Community Services

Based on its strong presence in community finance and its "Banking in Your Community" (晉商晉鄰) service network, the Bank actively served communities through joint initiatives between its branch outlets and sub-district community party branches, such as themed "Financial Services in Your Community" (金融服務進社區) activities. Through continuously extending service reach and refining service models, the Bank has effectively strengthened its community finance capabilities.

Case Jinshan Bank Partners with Nanhai Street Second Community to Establish the "Banking in Your Community Service Station", Creating A Neighborhood Service Spot

In 2025, the Bank's Shuiximen Party Branch and the Party Committee of Nanhai Street Second Community in Miaoqian Sub-district deepened their partnership to jointly establish the "Banking in Your Community Service Station". By integrating resources and leveraging each other's strengths, the service station focuses on four core areas: financial service consultation, investor education, livelihood service support, and fraud prevention guidance—bringing essential financial services directly to residents' doorsteps.

"I received a text message saying my social security account had an issue. I was about to click the link when I remembered the staff here had warned us about such scams. I rushed to the service station to check, and sure enough, it was a fake. Thanks to their reminder, my savings were protected".

— A resident from the local community



▶ Our staff conduct policy outreach to local residents

Promoting Consumer Finance to Boost Domestic Demand

In strict accordance with the *Guidelines on Reinforcing Financial Support for Boosting and Expanding Consumption* (《關於金融支持提振和擴大消費的指導意見》) and the *Implementation Plan for the Fiscal Interest Subsidy Policy for Personal Consumption Loans* (《個人消費貸款財政貼息政策實施方案》) jointly issued by six authorities, including the People's Bank of China, the Bank continued to enhance consumer credit services, strengthen financial support in key consumption sectors and segments, and offer differentiated products tailored to the needs of various customer groups. In 2025, the Bank's "Fresh Graduate Loan" maintained strong momentum, effectively addressing the credit needs of new university graduates in housing and consumption. As of the end of 2025, the product "Fresh Graduate Loan" had a credit line exceeding over RMB 260 million and served more than 4,000 customers.

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The Bank is also committed to building a diverse consumer ecosystem by continuously improving the local living experience in everyday scenarios related to food, shopping, travel, and housing. Offline, it has focused on creating a local lifestyle circle, while introducing shopping mall discounts, movie ticket offers, and trade-in subsidies through UnionPay channels—delivering tangible benefits to residents and enhancing consumption convenience. Online, the Bank has partnered with major platforms such as Alipay, UnionPay Cloud QuickPass, and 12306 to roll out promotions including spending discounts and point redemptions, catering to a wide range of customer needs and driving higher consumption activity.

Promoting Rural Revitalization

The Bank actively implemented the *Opinions on Further Deepening Rural Reform and Solidly Promoting the Comprehensive Revitalization of Rural Areas* (《關於進一步深化農村改革 紮實推進鄉村全面振興的意見》) and the *National Plan for the Comprehensive Revitalization of Rural Areas (2024–2027)* (《鄉村全面振興規劃(2024—2027年)》) issued by the Central Committee of the Communist Party of China and the State Council. Firmly upholding its responsibility to deliver financial services for rural revitalization, the Bank took a multi-pronged approach that includes increased investment, better products, and stronger support to continuously improve rural financial services and contribute to building stronger agriculture, more beautiful rural areas, and wealthier farmers. By the end of 2025, the Bank's outstanding agricultural-related loans reached RMB43.499 billion.

Enhancing Top-Level Design for Rural Revitalization

The Bank places high importance on financial services for rural revitalization. It has established a dedicated organizational framework and set up a Rural Revitalization Financial Service Leading Group, integrating these services into its key strategic priorities with regular progress tracking. The *Implementation Plan of Jinshang Bank to Serve Rural Revitalization* (《晉商銀行服務鄉村振興實施方案》) and the *Notice on Key Priorities for Serving Rural Revitalization in 2025* (《關於做好2025年服務鄉村振興重點工作的通知》) was issued to outline a clear service roadmap and clarify the service approach and encourage all branches and sub-branches to carry out targeted marketing activities in critical areas, ensuring that financial support is delivered precisely.

Strengthening Financial Support for Agricultural Entities

The Bank continuously innovates its agricultural-related financial products and services. Focusing on agricultural supply chain development and the cultivation of county-specific industries, it seeks to address the diverse financial needs of rural markets, support rural industrial upgrading, and increase farmers' incomes, thereby injecting momentum into the rural economy.

Developing Agricultural Supply Chain Finance

- Explored various models such as "Bank + Leading Enterprises + Specialized Cooperatives + Farmers" and "Bank + Leading Enterprises + Upstream/Downstream Suppliers & Distributors". Support the development of leading enterprises at different tiers and enhance their ability to benefit surrounding farmers.

Focusing on County-Specific Industries


- Leveraged local resource endowments and distinctive industries to identify new growth opportunities in emerging rural sectors such as e-commerce, wellness agriculture, intangible cultural heritage, and rural tourism.
- Conducted targeted research on specialized towns and industrial clusters, identified scenario-specific needs, and developed tailored service solutions on a case-by-case basis.


Case Financial Support for the Sheep Farming Industry


Focusing on the needs of the sheep farming industry, the Bank leveraged its head office-branch-sub-branch coordination mechanism to conduct multiple on-site visits and in-depth research, gaining a precise understanding of farmers' operations and financing needs. Based on these insights, it launched "QR Code MSE Loan for Sheep Farming", an exclusive digital product offering a customized and convenient financing solution for the sheep farming sector in Huairan City, helping to improve efficiency, enhance quality, and boost farmers' incomes.

Supporting Rural Infrastructure Construction

The Bank focuses on key areas of rural infrastructure development, providing credit support for public infrastructure projects, agricultural machinery upgrades, and major provincial initiatives, thereby strengthening the foundation for agricultural and rural modernization.

- 

Increased financial support for rural roads, power grids, large-scale water supply systems, and high-standard farmland construction.
- 

Responded to national initiatives to strengthen agricultural equipment by providing credit support for the manufacturing, distribution, and sale of agricultural machinery and key components, promoting mechanization and industrial upgrading.
- 

Focused on green rural development, offering full-lifecycle and full-chain credit support for provincial-level projects in rural living environment improvement, ecological governance, eco-circular agriculture, and green technology and equipment, contributing to sustainable rural development.

Case Financial Support for Rural Land Consolidation

A Shanxi-based environmental company, a state-owned enterprise specializing in land consolidation, has adopted an innovative model combining land consolidation with high-standard farmland development, urban-rural integration, rural revitalization, agricultural industrialization, and key transformation projects. Through this approach, it has advanced land consolidation efforts in over 30 counties across the province, supporting local rural revitalization and agricultural modernization. By the end of 2025, the Bank had provided the company with a total credit line of RMB300 million, with an outstanding loan balance of RMB99.975 million, facilitating infrastructure improvements, integrated urban-rural development, and agricultural industrial upgrading.

Offering Targeted Assistance

The Bank remains committed to consolidating and expanding poverty alleviation achievements. It integrated poverty reduction with efforts to build aspiration and capability, employing measures such as industrial support, employment assistance, and consumption-based aid to enhance the ability of underprivileged groups to participate in, share in, and drive their own development. These efforts helped stimulate internal motivation for prosperity and contribute to the broader goal of common prosperity.

Case "Love Supermarket" Supports Poverty Alleviation and Aspiration Building

In 2025, the Bank's Comprehensive Reform Demonstration Zone Direct Sub-branch partnered with Chenzhuang Village in Yunzhou District, Datong City, to launch a "Love Supermarket" initiative. To stock the supermarket, the Bank donated over 200 items, including laundry detergent and toilet paper, providing residents with essential daily necessities. The Love Supermarket serves not only as a distribution channel for aid supplies but also as a bridge connecting poverty alleviation with aspiration building. Villagers earn points by participating in community activities, which can be exchanged for goods, encouraging active engagement in community development. This approach not only improves living conditions but also fosters a spirit of self-reliance and self-improvement among villagers.



Our staff visit the Love Supermarket

In line with the *Opinions on Comprehensively Advancing the Development of a Beautiful Shanxi* (《關於全面推進美麗山西建設的實施意見》) issued by the Party Committee and the Provincial Government of Shanxi Province, and the philosophy that lucid waters and lush mountains are invaluable assets, the Bank fully leverages its role in financial resource allocation, and constantly improves its green financial service system across top-level design, product innovation, risk management, and technology enablement, injecting strong momentum into the green and low-carbon transformation of Shanxi's resource-based economy.

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Charting a Low-carbon and Sustainable Future



Addressing Climate Change

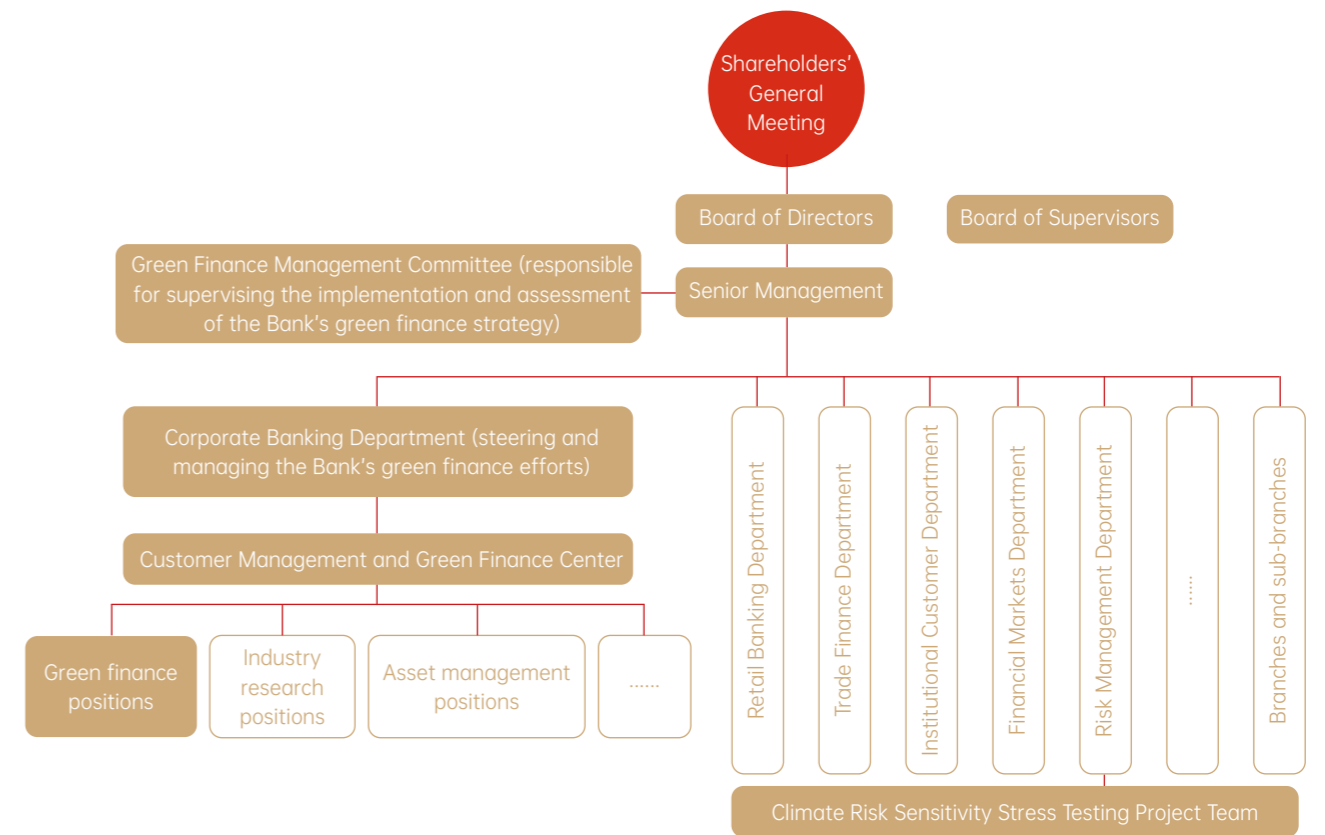
The Bank actively responds to the national goals of achieving carbon peak and carbon neutrality. It has established a robust climate risk management system that fully integrates climate and environmental risk factors into business processes and decision-making, thereby promoting the green transformation of its operations and supporting sustainable development.

Governance

The Bank has put in place a three-tier green finance governance structure comprising the Decision-making layer – Management layer– Execution layer . This structure effectively leverages management functions to oversee the Bank's green finance initiatives.



Green Finance Management Structure



Skills and Competencies of Climate-related Governance Bodies (Personnel)

The Bank places great emphasis on strengthening the climate governance capabilities of its Board of Directors. In 2025, it arranged for its directors to attend the 82nd Enhanced Continuing Professional Development Seminar for Governance Professionals hosted by The Hong Kong Chartered Governance Institute, which covered topics including ESG and climate change. This initiative effectively enhanced the directors' strategic vision and oversight capacity in the field of sustainable development. In addition, the Bank organized ESG-focused training for all employees, covering climate and ESG risk management, to raise ESG awareness and professional competence across the workforce.

Mechanisms for Climate-related Governance Bodies (Personnel) to Access Information

The Bank exercises ongoing governance and oversight of climate-related risks and opportunities through Board meetings and committee meetings.

- The Board of Directors reviews the risk management strategy and risk appetite on an annual basis and receives reports on comprehensive risk management and stress testing. It also reviews the ESG and environmental information disclosure reports annually and receives regular updates on the implementation of green finance initiatives.
- The Board's Risk Management Committee regularly evaluates and reviews reports on the Bank's risk policies, management status, and risk-bearing capacity, and proposes recommendations for improving the Bank's risk management and internal control systems.
- The Board's Audit Committee is responsible for reviewing the Bank's risk management and compliance status, and for examining the compliance and effectiveness of significant business activities.
- Senior Management oversees green finance business at a strategic level and regularly reviews progress reports on green finance work.

Oversight by Climate-related Governance Bodies (Personnel)

The Supervisory Board strictly performs its oversight duties. For details on the special green finance audit, please refer to the “Green Development: Charting a Low-Carbon and Sustainable Future—Addressing Climate Change—Risk Management” in this Report.

Climate-related Governance (Personnel) Performance Evaluation Mechanism

The Bank incorporates sustainable development indicators, including green finance performance, into the performance assessments of senior management, the head office's Corporate Banking Department, and all branches, reinforcing the focus on green development. Relevant details can be found in “Green Development: Charting a Low-Carbon and Sustainable Future—Developing Green Finance” in this Report.



Climate-related Risks and Opportunities

In 2025, the Bank conducted an exercise to identify and assess climate-related risks and opportunities, systematically mapping its exposure to physical and transition risks. It is actively seizing green opportunities, strategically positioning itself for business growth in relevant areas, and promoting product innovation and service upgrades.

Risk/ Opportunity Type	Climate-related Risks and Opportunities	Impact on Business Model and Value Chain	Time Horizon of Impact ¹	Financial Impact ²	Mitigation Measures and Resource Support
Climate-related Risks					
Credit Risk	Physical Risk: Increased frequency of extreme weather events and long-term climate trends may impact clients' production facilities, logistics systems, and supply chain stability, affecting business continuity or collateral value.	<ul style="list-style-type: none"> Risk of damage or valuation fluctuation for some pledged assets. Increased exposure for asset portfolios with high regional concentration. 	Medium/Long Term	<ul style="list-style-type: none"> Potential increase in client default risk. Weakened risk mitigation capability due to collateral impairment. 	<ul style="list-style-type: none"> Strengthen continuous monitoring of clients in industries and regions highly susceptible to extreme weather. Explore conducting climate physical risk stress testing.
	Transition Risk: In the context of the “dual-carbon” strategy, adjustments in energy structure, stricter environmental regulations, and intensified carbon emission constraints create transition pressures for traditional high-energy-consuming and high-emission industries.	<ul style="list-style-type: none"> Related industries may face increased costs and reduced profits due to low-carbon transition or stricter environmental requirements, leading to increased default risk and pressure on the Bank's asset quality. 	Medium/Long Term	<ul style="list-style-type: none"> Potential deterioration of credit asset quality, leading to increased credit impairment losses. 	<ul style="list-style-type: none"> Optimize industry credit policies, gradually reduce risk exposure in high-emission sectors, and increase support for green loans and transition finance. Regularly conduct climate risk stress tests for high-carbon industries.
Market Risk	Transition Risk: Investor preference shifts towards low-carbon assets, increasing price volatility for high-carbon assets.	<ul style="list-style-type: none"> Valuation pressure on high-carbon assets; increased need for asset structure adjustment. 	Medium/Long Term	<ul style="list-style-type: none"> Increased fair value fluctuations in investment portfolios. Increased valuation losses or earnings volatility. 	<ul style="list-style-type: none"> Integrate ESG factors into investment decision-making frameworks. Increase allocation to assets such as green bonds and green equity.

¹ In line with national regulatory guidance and the coverage period of the Bank's strategic plan, the time horizons for impacts are defined as follows: short-term means within one year (inclusive) after the end of the reporting period; medium-term means between one and five years (inclusive) after the end of the reporting period; and long-term means beyond five years after the end of the reporting period.

² Given the uncertainties in the quantitative measurement of financial impacts at this stage, the Bank will disclose quantitative information in due course based on actual circumstances.

Risk/ Opportunity Type	Climate-related Risks and Opportunities	Impact on Business Model and Value Chain	Time Horizon of Impact	Financial Impact	Mitigation Measures and Resource Support
Operational Risk	Physical Risk: Disastrous weather like heavy rain, floods, and extreme heat affects outlet operations, data center maintenance, and employee safety.	<ul style="list-style-type: none"> Increased operational costs. Temporary closure of some outlets, affecting IT system stability and service continuity. 	Short Term	<ul style="list-style-type: none"> Increased maintenance and protection costs for premises and equipment. Potential impact on business income during periods of operational constraints. Increased costs for emergency support and system optimization. 	<ul style="list-style-type: none"> Ensure branch infrastructure meets national disaster prevention standards. Achieve full disaster recovery coverage for critical physical subsystems based on “Three Centers in Two Cities” architecture, strengthen live switchover drills, and enhance emergency response capabilities.
Liquidity Risk	Physical Risk: Extreme weather events or long-term climate trends may cause changes in fund demand in specific regions or industries.	<ul style="list-style-type: none"> Increased concentrated withdrawals or financing needs from clients; extended fund recovery periods for some industries, leading to periodic pressure on fund management. 	Medium Term	<ul style="list-style-type: none"> Potential increase in fund allocation pressure; periodic fluctuations in financing costs. 	<ul style="list-style-type: none"> Continuously monitor the potential impact of climate factors on liquidity. Explore incorporating climate factors into the liquidity stress testing framework and liquidity risk management.
Reputation Risk	Physical Risk: Increased public and client focus on the Bank's social responsibility performance after major disasters.	<ul style="list-style-type: none"> Potential negative evaluation by clients and the public, affecting trust and brand reputation. 	Short/ Medium Term	<ul style="list-style-type: none"> Potential brand value damage and impact on business partnerships. 	<ul style="list-style-type: none"> Strengthen monitoring and rapid response to public opinion on environmental and green finance issues. Enhance information disclosure transparency and improve external communication capabilities.
	Transition Risk: Growing public, investor, and client focus on financial institutions' green development and environmental responsibility; inadequate management could lead to public scrutiny.				
Climate-related Opportunities					
Resource Efficiency	Under the “dual-carbon” background, improving efficiency in raw materials, water, etc., is a key trend across industries.	<ul style="list-style-type: none"> Prioritize investment in low-carbon projects like advanced manufacturing and green development. Strengthen forward-looking business layout in relevant industries. 	Short/ Medium/ Long Term	<ul style="list-style-type: none"> Revenue growth from financial support to related sectors. 	<ul style="list-style-type: none"> Strengthen industry research in relevant fields, monitor financing needs, and clarify support levels for these industries in credit policies.
	Optimize resource management in own operations to reduce consumption intensity.	<ul style="list-style-type: none"> Promote paperless office to reduce paper and office supply usage; promote waste sorting and recycling. Promote water conservation and enhance water recycling. 	Short/ Medium/ Long Term	<ul style="list-style-type: none"> Savings in daily operating expenses through reduced use of paper, office supplies, and water. 	<ul style="list-style-type: none"> Issue the initiative letter “Green Office, Low-Carbon Living – Working Together to Create a Conservation-Oriented Institution” to all employees to promote resource conservation and recycling. Strengthen management of office supplies and water usage. Upgrade digital office systems.
Energy Sources	Increased demand for renewable energy expands investment and financing project space.	<ul style="list-style-type: none"> Increase financial support for sectors like new energy and energy storage. Optimize asset structure towards low-carbon direction. 	Medium/ Long Term	<ul style="list-style-type: none"> Stable revenue growth from business expansion in the new energy sector. 	<ul style="list-style-type: none"> Strengthen research and risk identification capabilities in the new energy industry.

Risk/ Opportunity Type	Climate-related Risks and Opportunities	Impact on Business Model and Value Chain	Time Horizon of Impact	Financial Impact	Mitigation Measures and Resource Support
Climate-related Opportunities					
Markets	Gradually adopt clean energy in own operations.	<ul style="list-style-type: none"> Optimize own operational energy structure and reduce carbon intensity through green electricity usage and energy-saving technologies. 	Medium/ Long Term	<ul style="list-style-type: none"> Reduced long-term operating costs through increased clean energy use and improved energy efficiency. 	<ul style="list-style-type: none"> Promote energy-saving equipment upgrades and energy management system construction. Gradually promote the use of clean energy.
	Growing client and investor demand for low-carbon products and sustainable financial services.	<ul style="list-style-type: none"> Upgrade product structure and diversify green finance product offerings. Strengthen long-term partnerships with enterprises undergoing low-carbon transition. 	Short/ Medium/ Long Term	<ul style="list-style-type: none"> New revenue streams from growth in green product scale. Optimize risk structure by increasing allocation to green assets. Improve client structure quality, enhancing business sustainability. 	<ul style="list-style-type: none"> Improve the green finance product system. Strengthen the application of ESG concepts in product design and business decisions. Deepen cooperation with key industry clients.
Resilience (Adaptability)	Increased frequency of extreme weather events boosts demand for climate adaptation capacity building among enterprises and society.	<ul style="list-style-type: none"> Increased demand for financial services in areas like disaster prevention and mitigation, infrastructure upgrades, and agricultural resilience. 	Short/ Medium/ Long Term	<ul style="list-style-type: none"> Business expansion in climate adaptation-related fields creates new growth points. 	<ul style="list-style-type: none"> Strengthen research and client service capabilities in climate adaptation-related industries.
	Enhance operational resilience and capacity to cope with climate change and natural disasters in corporate operations.	<ul style="list-style-type: none"> Strengthen business continuity management. Optimize outlet layout and disaster prevention levels to improve response to extreme weather. 	Short/ Medium/ Long Term	<ul style="list-style-type: none"> Reduce operational impact from emergencies by strengthening own risk management and emergency response capabilities. 	<ul style="list-style-type: none"> Improve business continuity management mechanisms, enhance data backup and system support capabilities, and strengthen extreme weather emergency plans and drills. Integrate climate factors into outlet planning and construction.

Climate-related Strategy and Decision-making

The Bank recognizes the significant impact of climate change on its business operations. It actively promotes adaptive changes to its business model, develops and continuously refines green finance-related plans, and regularly reviews their progress. At the operational level, the Bank advances energy savings, water conservation, and emission reduction initiatives as concrete actions to address climate challenges. For further details, please refer to "Green Development: Charting a Low-Carbon and Sustainable Future—Developing Green Finance" and "Green Development: Charting a Low-Carbon and Sustainable Future—Implementing Green Operations" in this Report.

Climate Resilience Assessment

The Bank systematically evaluates climate resilience using quantitative tools such as scenario analysis and stress testing, with the aim of making climate-related risk management more refined and scientific.

Climate-related Risk Scenario Design

Drawing on the scenario framework of the Network for Greening the Financial System (NGFS), focusing on climate transition risks and taking into account China's "dual carbon" strategic goals as well as Shanxi Province's climate action plan and energy transition policies, the Bank has developed three climate scenarios: a baseline scenario, a moderate emission reduction scenario, and a severe transition scenario. These scenarios cover a ten-year time horizon and follow a "policy - enterprise - credit" transmission pathway, fully considering medium- to long-term policy impacts and technology substitution effects. They quantify risk exposures and identify resilience weaknesses, providing a basis for optimizing risk control.

Climate Scenario Description

Scenario type	Scenario Description
Baseline Scenario	Carbon emission costs increase linearly from 2025. The initial carbon price is set in line with industry-specific carbon intensity and policy attributes, reflecting a gradual transition under current policy pathways.
Moderate Emission Reduction Scenario	Building on the baseline scenario, this scenario introduces phased production capacity restrictions targeting backward capacity eligible for phase-out. Both the carbon price and the intensity of restrictions increase linearly according to industry characteristics, representing a moderate level of policy intervention.
Severe Transition Scenario	Building on the baseline scenario, this scenario further strengthens capacity exit mechanisms, focusing on high-energy-consuming, high-emission, and technologically outdated capacity. The carbon price and restriction intensity increase significantly, simulating the impact of an extreme policy transition scenario.

Stress Test Results and Application

The climate risk stress test covers high-carbon industries such as coal, coking, thermal power, steel, cement, iron ore, and aluminum manufacturing. A transmission pathway has been established using key factors including carbon pricing and production capacity. Based on key assumptions—such as increased operating costs and mandatory capacity exit for high-carbon industries—the test projects the future financial performance of enterprises in these sectors. The results show that under the baseline scenario, the Bank's credit assets meet regulatory requirements. For the moderate and severe transition scenarios, as the carbon pricing mechanism gradually improves and the industrial structure upgrades, the Bank will actively respond to the dynamic changes during the transition and continue to optimize its asset structure.

In 2026, the Bank will incorporate the stress test results into its comprehensive risk management report, which is submitted to the Board of Directors for review. Based on these results, the Bank manages climate risks with a focus on three objectives: prudently supporting high-carbon businesses, achieving rapid growth in green businesses, and maintaining stable asset quality. It revises its industry credit policies on an annual basis, clarifying differentiated support guidelines and resource allocation for green and low-carbon industries, thereby promoting the optimization of its credit structure.



Risk Management

ESG Risk Management System

The Bank incorporates climate factors into its ESG risk management system and has refined the processes for identifying, assessing, and monitoring risks. It has issued the *Notice on Strengthening the Management of Customer Environmental and Social Risks in the Three-phase Loan Review Process* (《關於在貸款三查流程中加強對客戶環境和社會風險管控的通知》) and the *Notice on Specific Requirements for Analyzing Customer Environmental and Social Risks During Loan Investigation and Review* (《關於在授信業務調查、審查階段分析客戶「環境和社會風險」具體要求的通知》). These notices clarify ESG risk management requirements across the entire credit business process, and specify review points and standards at each stage, effectively enhancing the Bank's capacity to prevent ESG risks.

The Bank strictly complies with regulatory requirements and conducts regular green finance audits. In 2025, the implementation of green finance policies was included as a key focus area in the special audit of credit business. Issues identified during the audit were subject to corrective actions, continuously improving the compliance of the Bank's green finance operations.

ESG Integration into the Full Business Process

The Bank integrates ESG and climate risks into the entire credit management process, covering pre-loan investigation, credit review, and post-loan management.

Pre-loan Investigation

- Borrowers are classified into Class A, Class B, and Class C based on their industry type and the extent of their environmental and social impact.
- Due diligence covers areas including but not limited to: land acquisition and involuntary resettlement; explosives and chemicals management; pollution prevention and control; labor and working conditions; community health and safety; biodiversity conservation and sustainable natural resource management; cultural heritage protection; and environmental and social risks in the supply chain.
- Obtain comprehensive information on the borrower's environmental and social risks from multiple channels, and analyze and assess those risks.
- For clients categorized as Class A or B, require them to provide relevant information and materials on environmental and social risks. For borrowers or projects where the complexity and severity of environmental and social risks are difficult to determine, engage qualified independent third parties to conduct investigations and consult with relevant government authorities.

Credit Review

- Based on the industry and regional characteristics of both the borrower and its project, conduct an item-by-item analysis and review of the content of the environmental and social risk due diligence results. Depending on the severity of such risks, require the borrower to provide compliance review documents, and verify the authority, completeness, and legality of the relevant procedures.
- Compliance documentation includes but is not limited to: industrial policies and market access standards; project approval, registration, and filing; land pre-approval or approval; environmental impact assessment; social stability risk assessment; energy conservation assessment; and energy conservation monitoring for enterprises designated as national or provincial key energy savers.

Post-loan Management

- Add the *Environmental and Social Control Dynamic Assessment Form* (《環境與社會管控制態評估表》) to post-loan inspections. Conduct a qualitative assessment of the customer's related risks, require the customer to take appropriate risk mitigation measures based on the assessment results, and place special emphasis on verifying the implementation of such measures during dedicated post-loan inspections.

ESG Integration into Credit Policies

The Bank closely monitors ESG risks associated with clients and projects in high-carbon industries. It has developed differentiated credit policies based on industry attributes and business characteristics. Credit policies have been formulated for seven high-carbon industries: coal, steel, non-ferrous metals, thermal power, chemicals, and other resource-based sectors.



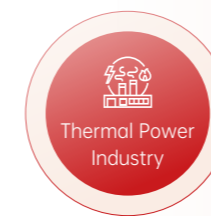
- Give priority to intelligent upgrading and retrofitting projects for coal mines, including large-scale modern integrated coalfields with a high level of intelligent mining, as well as green transformation projects such as clean coal utilization and clean coal production.
- Adhere to the principle of green coal credit. For coal enterprises that violate national industrial policies or environmental regulations, new credit will not be granted, and existing credit exposure will be gradually reduced and adjusted.



- Prioritize support for: mergers and acquisitions of high-quality leading steel enterprises; energy-saving retrofits; ultra-low emission projects; and electric arc furnace steelmaking projects with advanced energy efficiency levels. Support enterprises that meet the national benchmark levels for energy consumption in blast furnace and converter processes, thereby promoting high-end, intelligent, and green transformation and upgrading of the steel industry.
- Orderly reduce credit exposure to enterprises with heavy environmental burdens, backward steelmaking capacity, and insufficient sustainable investment capability.



- Provide moderate support to non-ferrous metal smelting and deep-processing enterprises that demonstrate a high level of compliance with energy consumption quotas, complete documentation for production capacity, complete industrial chains, and strong cost control capabilities.
- Gradually reduce, resolve, and proactively withdraw credit from enterprises that face tight energy consumption quotas, low operating rates, poor geographic locations, severe environmental pollution, high energy costs, heavy financial burdens, and backward production capacity.



- Give priority to low-carbon retrofitting and construction of coal-fired power, advancing "Three Retrofits" projects for coal-fired power units: energy-saving carbon reduction retrofits, flexibility retrofits, and heating retrofits. Priority support will also be given to multi-energy coupling for coal-fired power, complementary power generation integrating wind, solar, hydro, and storage, gas turbine power generation, carbon capture, utilization and storage (CCUS), and integrated gasification combined cycle (IGCC) power generation.
- No support shall be provided to substandard conventional coal-fired power units with a single-unit capacity of 300 MW or below (except for comprehensive utilization units). Oil-fired boilers and power generation units primarily used for power generation shall be phased out in accordance with the principle of "establishing new capacity before retiring old, and orderly phase-out", except where necessary to fulfill government-mandated or livelihood-related supply assurance tasks or address special needs.



- Give priority to intensive mineral resource development and green mine construction projects.

Metrics and Targets

Climate-related Targets

The Bank has established climate targets at the investment and financing level. For details on these targets, their periodic progress and the mechanisms for monitoring them, please refer to "Green Development: Charting a Low-Carbon and Sustainable Future—Developing Green Finance" in this Report. The Bank continuously advances greenhouse gas emission reduction efforts in its own operations. It initiated a carbon inventory exercise covering Scope 1 and Scope 2 emissions across the entire Bank. This is intended to establish a baseline emission data foundation and prepare for the potential disclosure of greenhouse gas targets in the future.

Greenhouse Gas Emissions



The Bank's Scope 1 and Scope 2 greenhouse gas emissions are as follows:

Indicator	Unit	2025	2024	2023
Total GHG Emissions (Scope 1 & 2)	tCO ₂ e	7,299.46	9,476.23	9,452.95
GHG Emissions per person (Scope 1 & 2)	tCO ₂ e/ person	1.65	2.17	2.13
— Scope 1 (Direct) GHG Emissions	tCO ₂ e	141.42	158.76	172.39
— Scope 2 (Indirect) GHG Emissions	tCO ₂ e	7,158.04	9,317.47	9,280.56

¹ The reporting boundary encompasses Jinshang Bank and its subsidiaries, comprising the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township Bank.

² The data for the Bank's greenhouse gas emission accounting activities are sourced from energy ledger data provided by the Head Office, 14 branches and their subordinate institutions, and Qingxu Jinshang Town Bank. Unorganized fugitive emissions have not been considered at this stage.



Developing Green Finance

In active response to the national initiative of accelerating the comprehensive green transition of economic and social development, the Bank proactively integrates into broader landscape of high-quality regional development, conducts systematic planning, and advancing its green finance initiatives.

Top-Level Design

Setting green finance plans and targets

The Bank has integrated green finance into its *Development Strategy Planning Goals for 2021—2025* (《晉商銀行2021-2025發展戰略規劃》), identifying the development of green finance as a strategic priority for serving the real economy and accelerating business transformation. Taking into account the industrial characteristics of Shanxi Province, it formulated the *Action Plan of Jinshang Bank for Advancing the "Five Major Areas of Finance"* (the "Action Plan") (《晉商銀行關於做好「五篇大文章」的行動方案》), which sets out green finance development goals for 2024—2026, including targets for green credit scale and growth. Through planning and targeted implementation, the Bank aims to continuously increase support for the green, low-carbon, and circular economy, steadily enhance its financial service capacity to facilitate Shanxi's low-carbon transition, and develop a distinctive "Jinshang Bank Green Finance Development Model". The Board's Audit Committee regularly reviews green finance issues and monitors progress toward these goals, ensuring the effective implementation of all green finance initiatives.

Improving the green finance system

Guided by the *Action Plan* and supported by the *Green Credit Management Measures of Jinshang Bank* (《晉商銀行綠色信貸業務管理辦法》), the *Jinshang Bank Green Finance Business Review and Approval Working Rules* (《晉商銀行綠色金融業務審查審批工作規則》), the *Green Finance Brand Enhancement Work Plan of Jinshang Bank* (《晉商銀行綠色金融品牌提升工作方案》), and other relevant policies, the Bank has established a "1+N" green finance policy framework, providing a solid institutional foundation for its green finance development.

Strengthening green finance assessment

The Bank has increased the weight of green credit in its performance evaluation, making the green credit growth rate a key indicator. Green finance-related indicators are incorporated into the senior management performance appraisal system, embedding the concept of green finance across the Bank. Furthermore, the Bank continued to strengthen green finance assessment by linking performance in this area to the evaluations of the head office' Corporate Banking Department and all branches, thereby encouraging all operating units to actively engage in green finance activities.

Product Innovation

The Bank continued to refine its innovative green finance product system, building a "Green Series" (綠系列) matrix of innovative financial products. Spanning loan products, trade finance, investment banking, and other business areas, this matrix features diversified offerings such as Green Loans, Green Financing, Green Innovative Financing, and Green Direct Financing, precisely addressing the diverse financing needs of the real economy as it pursues green development.

Jinshang Bank Green Finance Product System

Green Loans	Green Financing	Green Innovative Financing	Green Direct Financing
<ul style="list-style-type: none"> Energy Management Contracting Loan (合同能源管理貸款) Industrial Park Loan (園區貸) Farming Insurance Loan (耕保貸) Carbon Emission Rights Pledge Financing (碳排放權質押融資) 	<ul style="list-style-type: none"> Sustainability-linked Loans (可持續發展掛鉤貸) Emission Rights Mortgage Financing (排污權抵押融資) IP Pledge Financing (知識產權質押融資) 	<ul style="list-style-type: none"> Green Letter of Credit (綠色信用證) Green Guarantee (綠色保函) Green Factoring (綠色保理) Green Supply Chain (綠色供應鏈) 	<ul style="list-style-type: none"> Green Asset Securitization (綠色資產證券化) Green Environmental Protection Industry Fund (綠色環保產業基金) Green Debt Financing Tools (綠色債務融資工具) Direct Financing Tools (理財直接融資工具)

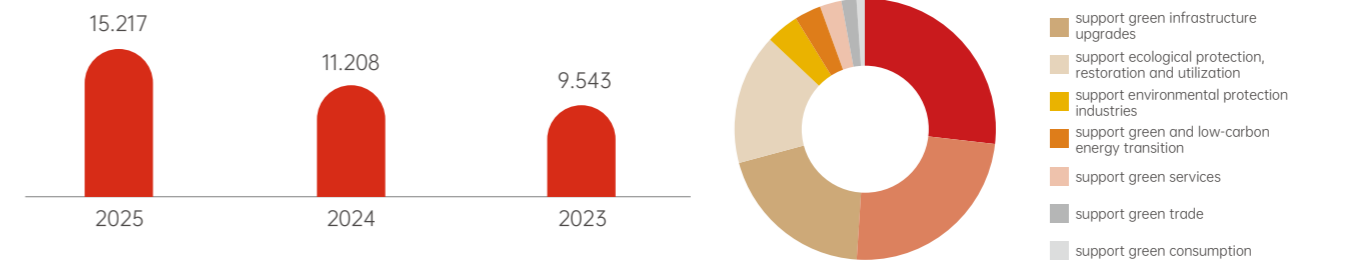
Case Launch of Carbon Emission Rights Pledge Loans to Unlock Corporate Green Assets

In 2025, the Bank actively drove innovation in green finance products and successfully launched a carbon emission rights pledge loan. A non-ferrous metals enterprise in Shanxi, listed as a key greenhouse gas emitter in the province, used a portion of its carbon emission rights as collateral. This approach transforms an intangible environmental asset into a quantifiable financing asset, effectively unlocking the value of the enterprise's carbon assets. It not only helps the enterprise broaden its financing channels but also closely links emission reduction performance with financial services, incentivizing the enterprise to reduce emissions from within.

Green Credit

As of the end of 2025, the Bank's green loan balance was RMB15.217 billion. This included RMB4.305 billion extended to energy conservation and carbon reduction industries, RMB860 million to environmental protection industries, RMB3.681 billion to resource recycling industries, RMB725 million to the green and low-carbon energy transition, RMB2.379 billion to ecological protection, restoration and utilization, RMB2.942 billion to green infrastructure upgrades, RMB214 million to green services, RMB94 million to green trade, and RMB17 million to green consumption.

Green Loan Balance in Recent Three Years (RMB, billion)



Case Jinshang Helps Build a New Hydrogen Technology Hub in Shanxi

The Bank has steadily expanded its green financial support to a major industrial group in Shanxi, with a cumulative credit line exceeding RMB10 billion. This support has helped the group accelerate the development of a green and low-carbon industrial system encompassing clean coal utilization, modern coal chemicals, and hydrogen energy development. Focusing on supporting clean energy and hydrogen, the Bank backed the completion of several green demonstration projects. These include a project that uses waste heat from coke dry quenching for power generation to produce green hydrogen via water electrolysis – China's first demonstration project of its kind. The Bank also supported the development of "Kun·Yun 200 (鯤·運 200)", China's first 250 kW single-stack hydrogen fuel cell power system, which filled a domestic technological gap and successfully established a Shanxi hydrogen energy achievement transformation base and key technology pilot base. This has injected new momentum into the optimization of Shanxi's energy structure and its green transition.

Case Jinshang Bank Successful Implements a Green M&A Loan

In 2025, the Bank successfully closed a green M&A loan, assisting a new energy company in Shanxi in acquiring a synthetic natural gas and high-purity hydrogen production line. The asset value was RMB171 million, with the M&A loan financing amounting to RMB100 million. Through this acquisition, the enterprise uses coke oven gas – a byproduct of the original coking process – as a high-quality raw material for methanation and high-purity hydrogen production. This not only transforms coke oven gas from "waste" into a "green resource" but also promotes vertical extension of the industrial chain. It represents a significant exploration by the Bank of using M&A financial tools to help traditional industries "reduce carbon and add green value".



Case

Changzhi Branch Creates a Model for Integrated Development of "Green Finance + Red Cultural Tourism"

The Huangyadong Cultural Tourism Zone in Changzhi City, Shanxi Province, is a dual-theme "red + green" tourist destination. It is nationally unique, rare, and exemplary, serving as an important vehicle for preserving the legacy of revolutionary martyrs and practicing ecological protection. In 2025, the Bank's Changzhi Branch precisely addressed the needs of the Huangyadong Cultural Tourism Zone in its application to become a national 5A scenic area. Recognizing the long construction period and phased funding requirements of cultural tourism projects, the Branch tailored a comprehensive financial solution combining "medium- and long-term project loans + short-term working capital loans". This was used specifically for the ecological development of the tourism zone and green infrastructure upgrades, exploring a new integrated development model of "green finance + red cultural tourism + ecological protection".

Green Bonds

The Bank actively participates in green finance product innovation and services, vigorously promoting the development of green finance. In 2025, the Bank supported the distribution of two green bonds with a total value of RMB80 million, and supported the issuance of three sustainability-linked bonds totaling RMB45 million.

Implementing Green Operations

The Bank strictly complies with the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國環境保護法》), the *Energy Conservation Law of the People's Republic of China* (《中華人民共和國節約能源法》), the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》), and other relevant laws and regulations. Internally, it has formulated the *Green Action Plan of Jinshang Bank* (《晉商銀行綠色行動方案》) and issued an initiative letter entitled "Green Office, Low-Carbon Life – A Call to All Employees to Build a Resource-Conserving Organization" to all employees. This helps foster a corporate culture that values energy conservation, carbon reduction, and green development, while raising employees' environmental awareness and motivating them to take action.

Energy and Water Resource Management

The Bank follows the principle of refined management and gradually implements energy-saving retrofits for equipment such as air conditioners and lighting. Green energy-saving signs are posted in office areas and staff canteens to remind employees to conserve energy and practice thrift. The Bank promotes water-saving management by using water-efficient sanitary fixtures to improve water use efficiency. Regarding water sourcing, the water supply is adequate, and the Bank faces no water supply issues.

Emissions Management

Regarding air emissions, the Bank actively promotes green travel practices, encouraging employees to prioritize public transportation for non-urgent official duties. When using official vehicles, the Bank strictly enforces the carpooling principle, effectively reducing vehicle idle rates and continuously advancing the low-carbon operation of its business activities. As a financial institution, the Bank's operations do not involve industrial wastewater discharge. The small amount of domestic wastewater generated from office premises is discharged in strict compliance with the *Water Pollution Prevention and Control Law of the People's Republic of China* (《中華人民共和國水污染防治法》) and other relevant laws and regulations. In 2025, the Bank did not receive any administrative penalties for environmental pollution.

Waste Management

In terms of paper and office supplies management, the Bank continuously optimizes its collaborative office system by establishing digital office workflows for efficient online processing. This fundamentally reduces paper usage and effectively implements low-carbon, environmentally friendly practices. The Bank strictly manages office supplies, controlling requests for disposable items and durable consumables, and encourages sharing across multiple departments to avoid duplicate requests and waste, thereby improving the efficiency of office resource utilization. Regarding dining, the Bank actively promotes the concept of "not leaving a single grain of rice", guiding employees to develop civilized and thrifty eating habits through enhanced publicity, education, and improved catering methods.

The Bank strengthens waste sorting and recycling, gradually reducing the generation of hazardous and non-hazardous waste. It has set up recycling bins and requires waste to be sorted and disposed of accordingly. Recycling points are established in office (business) premises to maximize item reuse, reduce environmental pollution, and protect the ecological environment.

The Bank is a non-manufacturing financial service institution whose operations do not involve production processes. Therefore, the Bank's environmental goals for the year are to keep total energy consumption, total water consumption, and waste generation within reasonable levels.

Spreading Green Concepts

Adhering to the concept of green development, the Bank actively fulfills its corporate social responsibility by comprehensively promoting environmental protection and public welfare initiatives. The Bank organized employees to participate in environmental volunteering, and takes concrete actions to help build a beautiful China.



Case

Jinshang Bank Organizes a "Vibrant Youth, Greener Future" Tree Planting Activity

In 2025, the Bank organized more than 50 employees to take part in a tree planting activity themed "Vibrant Youth, Greener Future" at the Taiyuan Botanical Garden. The scene was full of vibrant energy as everyone worked together – digging holes, planting saplings, filling soil, and watering – with each step seamlessly coordinated. This activity not only enhanced employees' awareness of ecological protection but also demonstrated, through concrete actions, the Bank's commitment to building a green bank and safeguarding lucid waters and lush mountains.





Guided by a people-centered development philosophy, Jinshang Bank has constructed a comprehensive and multi-level "Holistic Consumer Protection" (大消保) framework to effectively protect consumer rights, safeguarding their financial assets. With a sharp focus on enhancing customer experience, the Bank continuously enhances customer-centric service initiatives, pays special attention to vulnerable groups, and listens attentively to customer feedback, with the goal of building a financial services brand defined by both compassion and responsibility.

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Delivering Customer-centric
Financial Services



Leading with Technological Innovation

The Bank actively responded to the *Action Plan for Promoting High-Quality Development of Digital Finance* (《推動數字金融高質量發展行動方案》), issued by the People's Bank of China and six other government departments. This includes strengthening digital technology capabilities, consolidating the foundation for data governance and integrated applications, building a digital financial services ecosystem, and enhancing digital operational management capabilities. By continuously driving the holistic transformation of its business models and value system, the Bank is committed to positioning itself as a digital and intelligent institution that truly meets the expectations of the people of Shanxi.

Comprehensively Strengthening Top-Level Design

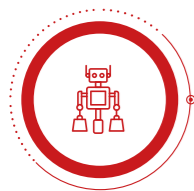
The Bank continued to refine its IT governance framework and organizational structure. It has appointed a Chief Information Officer (CIO), under which an Information Technology Management Committee has been set up to coordinate the collaborative efforts of the Head Office's Information Technology Department and Digital Finance Department. This creates an IT governance and operational system characterized by sound decision-making, standardized management, efficient execution, and coordinated teamwork.

The Bank has developed 44 information technology policies, building a comprehensive management framework that covers project management, resource allocation, security compliance, and operational support. This framework operates on principles of layered control and coordinated action. To encourage employee participation in R&D and innovation, the Bank has introduced incentive schemes such as the *Special Reward Program for Independent R&D of Technology Projects of Jinshang Bank* (《晉商銀行科技項目自主研發專項獎勵方案》), fostering a professional, multi-disciplinary fintech talent pool.

Conducting Intelligent Upgrades to Enhance Services

With "technology-enabled business growth" as its core focus, the Bank has implemented diversified technological innovation projects in areas such as Robotic Process Automation (RPA), large models, and smart solutions. These projects span operations, risk control, marketing, and service delivery. Through cross-departmental collaboration and external partnerships, the Bank is innovating digital financial products and services to significantly enhance the support that fintech provides to its core business and its value-generation capacity.

Deepening RPA Application



- Implemented RPA in 25 scenarios, covering areas such as operations management and personal credit. This has saved approximately 23,000 hours of manual work.
- Developed a robot for real-time monitoring of credit risk, enabling automated post-loan risk alerts.

Advancing Large Model Technology



- Promoted the development of ten large-model application scenarios, including "Smart Financial Assistant" (財小秘), an intelligent assistant offering personalized asset allocation advice, and an "Smart Document Review" system for automated voucher verification.

Expanding Smart Service Scenarios



- Independently developed applications for its Official Account and digital business cards to empower scenario-based marketing. These have been fully rolled out internally and across all branches, significantly boosting operational efficiency.
- Created a customized Official Account platform and digital business card solution for a corporate client, successfully converting it into a user of its "QR Code MSE Loan". This has created a replicable template for efficiently acquiring similar corporate customers.
- Explored the use of digital human technology for internal training and meetings, enhancing the intelligence of management and services.
- Launched features such as smart display screen and intelligent queuing system, including real-time operational dashboards, further refining its smart service ecosystem.



Case Smart Document Review – A Major Upgrade to Corporate Account Services

In 2025, Jinshang Bank successfully launched an AI-powered document review system along with the virtual assistant "Jinbao (晋宝)", marking a significant step forward in intelligent corporate banking services. The system is now fully integrated into the online appointment and review process for corporate account opening, supported by a four-part operating mechanism: intelligent recognition, logical reasoning, human-machine collaboration, and anomaly-triggered circuit breaking. This has fundamentally reshaped our corporate account service framework. Since implementation, the average time from online account opening request to branch confirmation has been reduced to just 4.56 minutes. Many peer banks have visited us this year to learn about our AI-based document review system in business scenarios.



the minimum processing time from online account opening request to branch confirmation has been reduced to just

4.56 minutes



Case Smart Financial Assistant Ushers in a New Era of Intelligent Wealth Advisory

Leveraging its artificial intelligence large models and MCP agent technology, the Bank has developed Smart Financial Assistant, a highly personalized intelligent wealth advisor. Leveraging a large language model as a general-purpose reasoning engine, the system incorporates MCP agent mechanisms to modularly encapsulate core business components such as customer diagnosis, asset allocation rules, and product eligibility criteria. This enables the large model to automatically invoke tools, orchestrate capabilities, and generate results in accordance with predefined business rules, providing wealth managers with real-time, interpretable decision support.

This tool overcomes the challenges of information silos and inefficient manual analysis inherent in traditional wealth management services. Its intelligent model minimizes the risk of inaccurate product recommendations and missed customer opportunities, thereby improving marketing success rate and service professionalism. For asset allocation advice, it constructs diverse customer need scenarios, adopting a gradual, gap-filling approach to enhance the efficiency and success rate of business development.

Case Smart Dashboard for Outlet Operations Monitoring

Adhering to a customer-centric approach and focusing on optimizing experience, strengthening empowerment, and preventing risks, the Bank has innovatively created a smart dashboard for monitoring outlet operations, empowering outlets to significantly improve their operational efficiency. It works to optimize outlet layouts and human resource allocation, effectively promoting cross-departmental business integration and upgrading employee skills. This fosters a new, collaborative, and efficient operational service model. It also enables operations staff to proactively move from behind counters into the lobby to provide end-to-end guidance, significantly enhancing customer experience. This digital transformation not only strengthens the foundation of the Bank's operational services and optimizes outlet service structures but also continuously elevates its customer service quality and overall management capabilities.



▶ Outlet Operations Intelligent Monitoring System interface

Building a Solid Technology Foundation

Relying on its foundational platform architecture and standardized components, and through modular services and high-availability design, the Bank continued to advance its business and technology middle platforms. This ensures constant improvement in reusable, loosely-coupled capabilities to support rapid business iteration and stable operations.

Technology Middle Platform

- At the same time, the Bank has constructed a Code Quality Analysis and Review Platform that integrates automated code scanning tools and a unified rule engine. The platform standardizes code quality management, significantly improving review efficiency and quality control.
- An observable monitoring platform and an operational knowledge graph have been established, using intelligent algorithms for dynamic alerting. This supports proactive root cause analysis and refined indicator monitoring, continuously enhancing the Bank's intelligent operations and maintenance system.
- The Bank has built an efficient intelligent AI middle platform, strengthening its AI foundation with computing power pools, OCR model training platforms, and intelligent knowledge bases. This enables the Bank to roll out applications across various scenarios, including intelligent recognition, Q&A, document review, office assistance, and guarantee letter review.

Business Middle Platform

- The Bank continued to condense and efficiently share enterprise-level capabilities. Through key projects such as the Core System IT Innovation Transformation Project, the Channel Integration Platform IT Innovation and Capability Center Optimization Project, and Message Sending Control Mechanism Optimization Project, it continuously built and refined capability centers such as the List Center, Contract Center, Message Center, and Limit Center. This allows the Bank to build modular, standardized, and reusable business components and services, accelerating its response to business requirements and efficiently supporting the rapid implementation of multiple businesses and channels.

Co-creating a Digital Ecosystem

Internally, the Bank continuously improved its mechanisms for attracting, training, and motivating technology talent, building a professional team skilled in areas such as algorithm development, system architecture, data mining, and product design. Through a combination of mentorship and specialized training, the Bank enhanced the team's overall R&D capabilities, providing a solid talent foundation for building a technologically advanced institution and continuously fueling its digital finance development. Externally, the Bank upholds a philosophy of open cooperation, partnering with technology companies, core enterprises, and platform institutions to build an open, collaborative, and innovative digital ecosystem.

Case Jinshang Bank Hosts an AI Application Conference to Chart the Course for Intelligent Banking

In 2025, the Bank successfully hosted its AI Application Conference under the theme "AI-Empowered Smart Banking". The conference was attended by the Bank's leadership, heads of head office departments and branches, as well as professors from Peking University specializing in AI innovation research and application, and industry experts from partner enterprises. During a roundtable forum, guests engaged in in-depth discussions on the practical pain points and challenges of applying AI in banking for customer service, risk management, and product innovation, sharing insights from their academic research and practical experience. The conference served as a powerful convergence of academic thought and industry practice, underscoring the Bank's commitment to driving fintech innovation. Looking ahead, the Bank will continue to deepen its application of AI technology to empower high-quality development.



▶ The Bank holds the AI Application Conference to explore new models of innovative AI application

Case iFLYTEK and Jinshang Bank Sign Strategic Cooperation Agreement

In 2025, the Bank entered into a strategic cooperation agreement with iFLYTEK Co., Ltd. Under this agreement, both parties will build upon their existing achievements in intelligent middle-platform and knowledge base construction to further deepen the application of the AI Plus capability platform. They will expand into diversified service scenarios, with a primary focus on promoting innovative applications and strategic cooperation of the iFLYTEK Spark Large Model within the financial sector. The signing of this agreement marks the beginning of a deeper collaboration in areas such as the financial application of artificial intelligence and research on cutting-edge technology trends.



▶ Signing ceremony of strategic cooperation agreement between Jinshang Bank and iFLYTEK

Protecting Customer Rights and Interests

The Bank places high importance on consumer rights protection, fully integrating this principle into its corporate governance, business development strategy, and corporate culture. It has established and is continuously improving its consumer protection mechanisms, strengthening complaint management, deepening employee awareness and capability in this area, and actively building a "Holistic Consumer Protection" framework.

Improving the Consumer Protection System

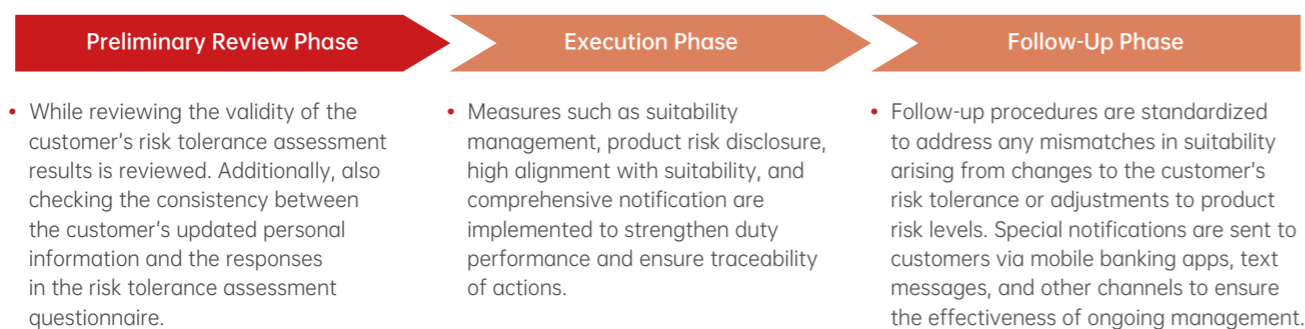
The Bank has built a well-defined organizational structure for consumer rights protection. At the Board level, the Consumer Rights Protection Committee serves as the decision-making body, responsible for formulating relevant plans and reviewing significant matters. At the senior management level, the Consumer Rights Protection Working Committee ensures the implementation of the Board committee's decisions and promotes consumer protection work throughout the Bank. At the Head Office level, a dedicated Consumer Rights Protection Department, staffed with full-time personnel, ensures that consumer protection initiatives are effectively implemented at the grassroots level.

Applying a Product and Service Review Mechanism

The Bank has formulated the *Implementation Rules for Consumer Rights Protection Review of Jinshang Bank* (《晉商銀行消費者權益保護審查實施細則》), establishing and refining a tiered management system for review subjects and standardizing a seven-step review process to ensure standardized and procedural operations. The review covers various business areas, including personal savings, credit cards, agency sales, personal loans, and proprietary wealth management. It encompasses the entire product lifecycle, from design, development, and pricing to agreement formulation and marketing promotion, ensuring end-to-end risk control from conception to delivery. In 2025, the Bank further issued the *Notice on Further Strengthening Consumer Rights Protection Review Work* (《關於進一步強化消費者權益保護審查工作的通知》), *Notice on Further Clarifying Key Consumer Protection Review Points for Major Products in Marketing and Promotion Activities* (《關於進一步明確營銷宣傳領域重點產品消保審查要點的通知》), refining review standards around five key dimensions: information disclosure, fair trading, personal information protection, risk warning, and pricing management for different product types such as deposits, loans, wealth management products, funds, insurance, and credit cards. This continuously enhances the depth and precision of its consumer rights protection reviews.

Establishing a Suitability Management Mechanism

The Bank strictly fulfilled its suitability management obligations, building a comprehensive, end-to-end system covering preliminary review phase, execution phase, and follow-up phase. This ensures that the products and services purchased by consumers are consistently aligned with their risk tolerance.



The Bank has formulated differentiated service policies. For elderly customers, it has refined risk level controls, explicitly stipulating that the risk level of allocated wealth management and agency products shall not exceed R2. During the dual-recording (audio and video recording) process, the Bank implements strict secondary risk warnings and applies more stringent quality inspection standards for recordings involving elderly customers. It conducts comprehensive inspections and evaluations of sales practices to effectively protect their legitimate rights and interests.

Conducting Special Audits

In accordance with the relevant provisions of the *Measures for the Administration of Consumer Rights Protection of Banking and Insurance Institutions* (《銀行保險機構消費者權益保護管理辦法》), the Bank has established a normalized internal audit mechanism for consumer rights protection. It conducts special audits annually, focusing on aspects such as the construction of the consumer rights protection system, operation of management mechanisms, dispute resolution, and service fee practices. In 2025, the Bank conducted the annual special audit and promptly urged relevant departments to rectify any identified issues.

Strengthening Consumer Protection Training

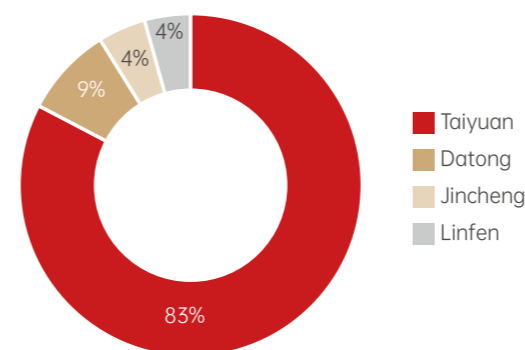
The Bank has established a systematic consumer protection training mechanism based on the principles of targeted, precise, and pragmatic training. It formulated the *2025 Consumer Rights Protection Training Plan* (《2025年消費者權益保護培訓計劃》), adopting a blended learning model combining online and offline formats, theory and practice, case studies and simulations, and competitions with sharing sessions. The training targets employees at all levels, from senior leaders and department heads to sub-branch managers, frontline staff, and new hires. Content includes policy interpretation, compliance skills for specific roles, practical complaint handling, and experience sharing. The Bank uses a multi-faceted approach, including exams, questionnaires, practical exercises, and competitions, to evaluate training effectiveness, ensuring all employees are proficient in consumer protection knowledge and skills, thereby improving the quality and efficiency of its work. In 2025, the pass rate for the Bank's consumer protection training exams reached 100%.

Enhancing Customer Complaint Management

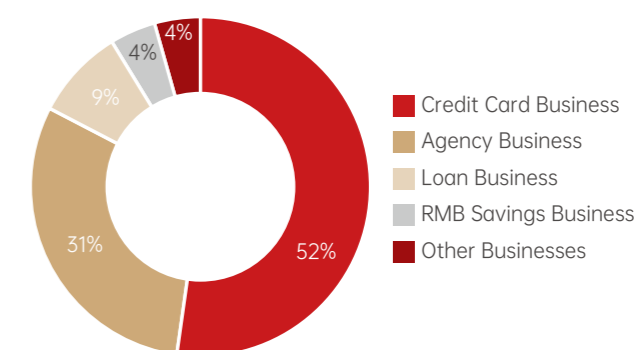
The Bank has formulated institutional documents such as the *Measures for Financial Consumer Rights Protection Management of Jinshang Bank* (《晉商銀行金融消費者權益保護工作管理辦法》), the *Measures for Consumer Rights Protection Assessment of Jinshang Bank* (《晉商銀行消費者權益保護考核辦法》), the *Implementation Rules for Handling Consumer Complaints of Jinshang Bank* (《晉商銀行消費投訴處理實施細則》), the *Emergency Plan for Handling Major Consumer Complaints of Jinshang Bank* (《晉商銀行重大消費投訴處理應急預案》), and the *Guidelines for the Diversified Resolution of Financial Disputes of Jinshang Bank* (《晉商銀行金融糾紛多元化解工作指引》). These provide an institutional foundation for effective complaint handling and reduction. The Bank has established a series of mechanisms governing complaint consultation, notification, root-cause rectification for key business areas, and employee service rewards. Adhering to the principles of "preventing disputes proactively, processing work orders and first-instance complaints properly, and strengthening closed-loop management and root-cause rectification afterwards", it has defined a three-phase task framework: thorough investigation, focused remediation, and root-cause rectification. This allows the Bank to accurately identify weak links and potential risks. In addition, the Bank continuously made improvements in product development, sales management, customer service, and operational processes, aiming to significantly reduce the regulatory complaint rate and demonstrate its commitment to improving customer satisfaction and consumer protection governance. In 2025, the Bank received a total of 23 consumer complaints included in regulatory notifications, a decrease of 18 cases compared to the same period last year, representing a decline of 43.90%, with a 100% complaint closure rate.



Proportion of Consumer Complaints by Region

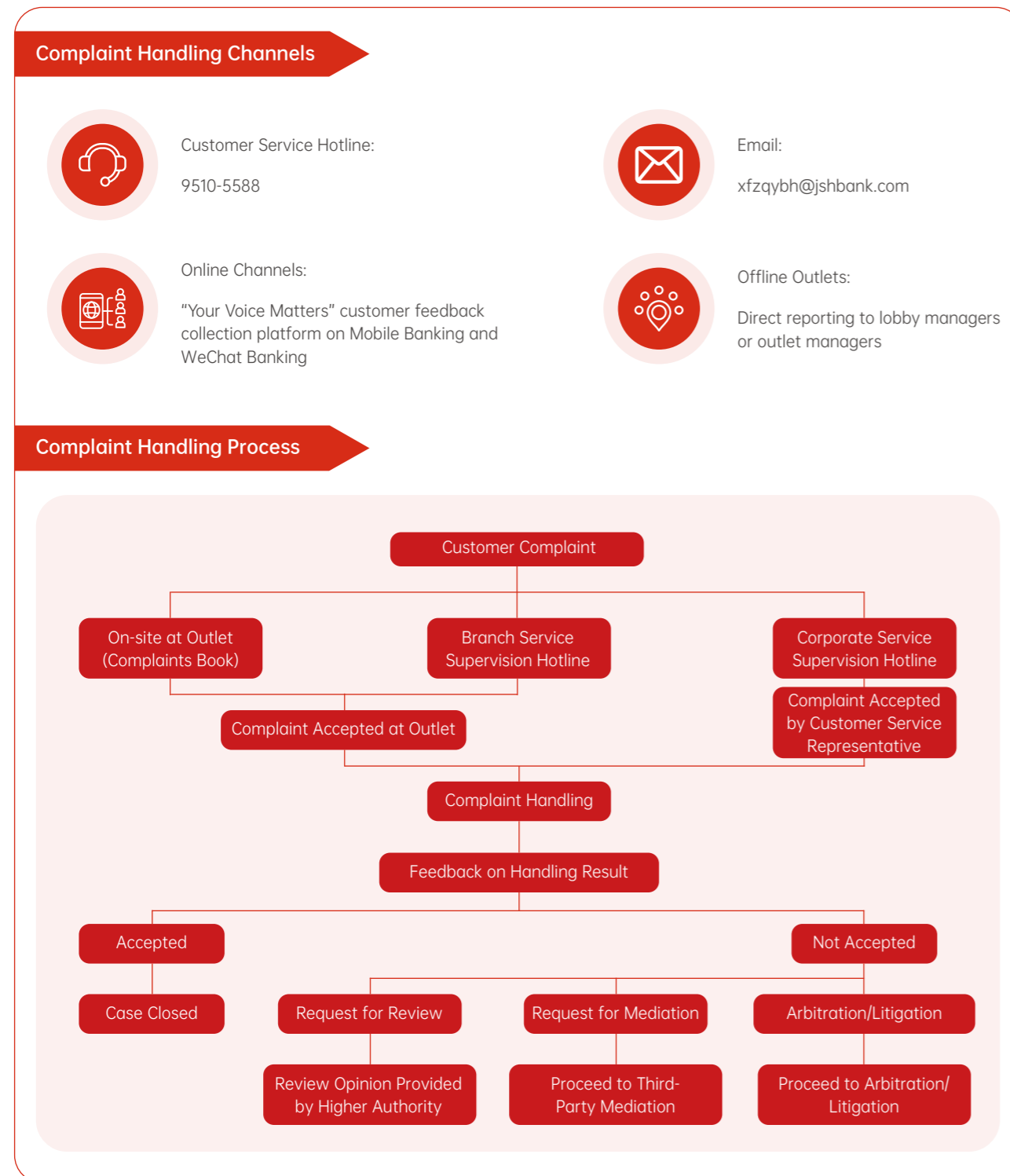


Proportion of Consumer Complaints by Business Type



Complaint Acceptance Channels and Handling Process

The Bank has developed a consumer complaint management system that enables the unified collection and digital management of customer complaints from all channels. Complaint channels are fully disclosed on mobile banking apps, in business premises, and in product or service contracts to ensure they are easily accessible. The Bank has improved the closed-loop management mechanism covering the entire process of acceptance, transfer, handling, and feedback to ensure that customer concerns are addressed promptly and appropriately.



Practicing Responsible Marketing

The Bank strictly adheres to the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》), the *Notice on Further Enhancing Regulation of Financial Marketing*, as well as other relevant laws, regulations, and regulatory directives. To ensure compliance, the Bank has established a comprehensive framework, including the *Implementation Rules for Financial Marketing and Promotion Management* (《晉商銀行金融營銷宣傳管理實施細則》), the *Notice on Further Standardizing Employee Marketing Behaviors*, the *Notice on Restandardizing Employee Marketing Behaviors* (《晉商銀行關於進一步規範員工營銷行為的通知》), the *Notice on Further Standardizing the Conduct of Agency* (《晉商銀行關於進一步規範代銷業務開展的通知》), and the *Notice on Standardizing Personal Deposit Marketing and Promotion Behaviors* (《晉商銀行關於規範個人存款營銷宣傳行為的通知》). Focusing on the compliance, transparency, and traceability of marketing and sales activities, the Bank prevents consumer protection risks in these areas by standardizing marketing promotions, improving information disclosure, strengthening sales traceability, and strictly controlling partnerships, thereby safeguarding customers' legitimate rights and interests.

Responsible Marketing Measures

- Respect consumers' genuine intentions**
 When providing financial products and services, the Bank does not impose unreasonable conditions, force or covertly coerce consumers into accepting non-essential products or services, and there is no forced bundling or tying of products.
- Strengthen communication and conduct norms**
 The Bank continuously strengthens guidance for relationship managers, strictly regulating marketing language and behavioral norms. Employees are explicitly prohibited from privately printing promotional materials or product information cards to prevent misleading information and compliance risks at the source.
- Fulfill risk disclosure obligations**
 The Bank ensures that key information, such as product characteristics and risk levels, is fully, accurately, and clearly communicated to customers during marketing and promotion. It safeguards customer trust and legitimate rights and interests with standardized and professional service practices.
- Eliminate improper marketing promotions**
 The Bank prohibits marketing content that is one-sided, exaggerated, or false. It forbids the use of false information to deceive or induce customers to click on marketing content and prohibits inducing consumers to terminate contracts early to their detriment.
- Strengthen monitoring and rectification of marketing promotions**
 The Bank implements full-process effective monitoring of marketing promotional activities and establishes a problem rectification and accountability mechanism to ensure timely addressing any identified issues.
- Standardize sales personnel qualification management**
 Unqualified personnel are prohibited from selling products, and sales performance is not the sole indicator for assessing sales staff.
- Establish and improve a compliance marketing punishment mechanism**
 The Bank uses methods such as demerit points and accountability for punishment, effectively improving service quality at grassroots outlets and eliminating improper marketing behaviors.

Enhancing Customer Security Management

The Bank always prioritizes customer safety, continuously strengthening the security capabilities of its grassroots outlets and actively building smart security systems. In 2025, the Bank newly built or renovated five outlets, striving to create a safer and more reliable service environment and effectively safeguard customers' personal safety.

Regarding the protection of customer property, the Bank continuously improved its prevention mechanisms against telecom and online fraud, further integrated anti-fraud knowledge into daily training, and deepened coordinated prevention and control with public security authorities. Moreover, it has established a comprehensive, end-to-end risk management framework covering proactive prevention, effective intervention, and post-event tracing. This framework accurately identifies and intervenes in abnormal transactions beforehand, effectively building an anti-fraud firewall and safeguarding the public's financial assets. In 2025, the Bank successfully blocked a total of RMB7.9165 million of suspected fraudulent funds.

Case Jinshang Bank Holds H1 2025 Operations Line Work Conference and Police-Bank Joint Anti-Fraud Publicity Exchange

In August 2025, the Bank held the H1 2025 Operations Line Work Conference and Police-Bank Joint Anti-Fraud Publicity Exchange. The meeting was attended by the Bank's leadership, heads of operations at each branch, heads of operations management departments, operations supervisors, and some sub-branch managers. The meeting clarified the core development path for operational efficiency improvement and risk prevention and control. All participants visited the Taiyuan Anti-Fraud Publicity and Education Base for an immersive learning experience. This combination of theory and practice, interactive experience, and exchange discussion effectively enhanced participants' understanding of the latest trends in telecom fraud, its characteristics, and prevention priorities, further strengthening the Bank's anti-fraud risk prevention capabilities and sense of responsibility.

Promoting Financial Knowledge Popularization

Adhering to the people-centered service philosophy, the Bank has built a high-standard Financial Education Platform, and a characteristic "Five Ones" service system. Under the "Financial Education in Five Areas" program, measures such as policy publicity and case-based empowerment were conducted, providing the public with full-cycle, multi-level financial knowledge popularization services. These efforts effectively enhanced consumers' financial literacy and helped to build a harmonious and healthy financial consumption environment. In 2025, the Bank conducted 1,361 financial education activities.

Integrated Education Platform

In Taiyuan's core business district, the Bank created a comprehensive financial education platform integrating knowledge popularization, interactive experiences, and specialized training. It has now developed into an important platform serving surrounding communities and supporting financial education activities for over 30 outlets, having cumulatively received over 10,000 visitors.

Consumer Protection Team

The Bank has built a dynamic consumer protection team for financial knowledge dissemination. Through lectures, distributing promotional materials, on-site consultations, and other methods, it popularizes financial knowledge among the masses and answers their questions.

Themed Education Base

Through its Financial Education Platform, the Bank actively promotes financial literacy by focusing on four key areas: informed investing, lawful rights protection, fraud prevention and combat, and inclusive services for the elderly and disabled.

Full-chain Defense

To address emerging risks such as illegal rights-protection agencies and cryptocurrency investments, the Financial Education Platform has established a full-chain prevention and control mechanism covering monitoring, early warning, disposal, and education. It issues alerts through multiple channels, including SMS, and creates short videos that explain risks through real cases. Leveraging customer profiling, the Base frequently sends warnings about "healthcare product investment scams" to elderly customers, while directing warnings about "campus loans" and "click farming fraud" primarily to younger customers.

Case Empowering Youth through Financial Education: A Campus Outreach Initiative

To strengthen campus financial security and enhance students' financial literacy, the Bank, in collaboration with the Nanneihuan Street Sub-branch, organized an outreach event at Shanxi University of Finance and Economics. Under the theme "Mastering Financial Basics, Staying Alert to Predatory Campus Loans", the staff served as "financial mentors". In plain language, they walked students through essential financial knowledge—from common tactics such as "low-interest traps" and "aggressive debt collection" to real-life stories of borrowing gone wrong. By revealing the true nature of predatory campus loans, the event helped students develop healthy spending habits and steer clear of irrational debt.



▶ Staff are explaining financial knowledge to students



Case Financial Literacy in the Community: Protecting Residents' Financial Assets

In 2025, the Bank, together with its designated Social Security Sub-branch, visited Wutongyuan Community to host a financial literacy campaign. Themed "Exposing Common Scams, Safeguarding Your Money", the event equipped residents with anti-fraud "safety toolkits". At the scene, the staff acted as "fraud fighters". Drawing on data and case studies, they delivered an in-depth analysis of the current fraud landscape and meticulously broke down the mechanics of emerging scams, such as "impersonation of law enforcement" and "bogus investment schemes". Residents participated enthusiastically in interactive quizzes, which helped sharpen their fraud prevention awareness in an engaging way.



▶ The staff are explaining anti-fraud financial knowledge in Wutongyuan Community



Case Police-Bank-Hospital Collaboration Strengthens Anti-Fraud Efforts

To further enhance public financial security awareness and strengthen the ability to prevent telecom fraud, Jinshang Bank, in collaboration with the Jiefang South Road Sub-branch, the Anti-Fraud Center of the Taiyuan Public Security Bureau, and Shanxi Provincial Cancer Hospital, hosted a themed outreach event in Yingze Park. Titled "Dual Prevention in the Park: Empowering the Community", the event focused on educating seniors about scams such as "elderly care services", "elderly care products", and "housing-for-pension" schemes, reminding them to safeguard their hard-earned savings.



▶ The Bank carries out "Dual Prevention" themed publicity activity, effectively safeguarding the people's pension funds



Case Launch the "Most Beautiful Sunset Glow" Campaign to Strengthen the Elderly's Awareness of Financial Fraud Prevention

In 2025, Jinyang Sub-branch successfully held the financial fraud prevention publicity activity themed "The Most Beautiful Sunset Glow" for the elderly. During the event, staff members explained common fraud tactics in plain language, covering typical financial risks such as "high-interest wealth management" traps, "pension account" scams, telecom fraud and illegal fund-raising. Practical preventive suggestions were also provided, effectively raising the financial security awareness of the elderly.



▶ The Elderly-friendly financial fraud prevention publicity lecture was successfully held

Enhancing Service Experience

Adhering to a customer-centric philosophy, the Bank continued to improve service accessibility and deliver a supportive experience across the entire customer journey. It strengthened care for special groups, kept feedback channels open, and actively listened to customer opinions to continuously enhance both satisfaction and service quality.

Improving Service Accessibility

Offline Outlets

The Bank is dedicated to optimizing its offline service network to provide more convenient financial services. As of the end of 2025, it had established 152 offline outlets, 32 of which are located in counties or townships, significantly expanding financial coverage in remote areas and effectively addressing local needs.

In terms of outlet services, the Bank pioneered the introduction of intelligent machines for corporate business among city commercial banks in Shanxi Province. Building on its personal business foundation, the Bank launched a new type of intelligent equipment integrating multiple corporate functions—such as corporate account opening, contract signing/termination, account activation, and account changes. This innovation facilitates the transition from traditional teller tasks to lobby-based intelligent services, greatly improving operational efficiency and service quality.

Mobile Banking

The Bank launched version 7.0 of its Mobile Banking app, built around users, leveraging channels as a bridge, and powered by real-life scenarios and solid products. Focusing on customer experience and expanding smart scenarios, it aims to create a new benchmark for providing convenient, safe, and tailored mobile financial services. In 2025, mobile banking transaction volume exceeded 16 million transactions.

Data-Driven Risk Control Upgrades: Safeguarding Funds

- **Transaction Behavior Risk Control:** The Bank comprehensively upgraded its intelligent risk control system, enabling real-time monitoring and intelligent analysis of critical transaction behaviors. This allows for the precise identification of abnormal transactions and the activation of dynamic risk control rules. Through deep optimization and iterative refinement of risk control strategies—integrated with big data analytics—the system now features a pre-emptive risk interception mechanism, effectively blocking potential threats before they materialize.
- **Multi-Dimensional Identity Authentication:** The Bank has further fortified its authentication framework. By employing multi-dimensional verification methods, it has significantly enhanced the accuracy and security of transaction identity confirmation.

Expanding "Finance + Life" Boundaries: Advancing Comprehensive Services

- **Lifestyle Scenario Services:** The Bank has deepened the integration of financial services within everyday life, focusing on five core areas: convenient bill payments, daily consumption, urban mobility, healthcare, and digital RMB. By continuously expanding services within these scenarios, the Bank strengthens its connection to public needs.

Reshaping with Technology: Upgrading Intelligent Services

- **Enhanced Business Capabilities:** New functionalities have been introduced, including a medical insurance e-voucher to streamline healthcare services, and a wealth management account statement feature that provides customers with clear insights into their investment returns. High-frequency mobile banking functions, such as multi-person transfers, have been continuously optimized to improve processing efficiency and user experience.
- **Upgraded Intelligent Recognition:** The Bank has comprehensively upgraded the OCR recognition experience within its mobile banking platform. Systematic enhancements have been made in terms of recognition accuracy, processing efficiency, and scenario adaptability.

Internet Banking

The Bank completed a comprehensive consolidation and upgrade of its personal internet banking user system, integrating channels, products, functions, processes, and interactions. This initiative aims to achieve unified management and data interoperability for individual customers across electronic banking channels, reduce redundant development and maintenance costs between systems, and lower the complexity of multi-platform management. The integrated personal internet banking system enhances user convenience, simplifies operational procedures, and improves both customer service experience and operational efficiency. In 2025, the transaction volume via internet banking exceeded 2.7 million.

Mobile Counter

The Bank launched a mobile counter function, providing services such as door-to-door card opening, product signing, debit card password reset, account verification, and facial recognition authentication. Customers can complete multiple operations without visiting an outlet. The efficiency of scenario-based personal comprehensive account opening and signing business has increased by 60%, significantly enhancing the convenience and flexibility of its financial services.

Remote Banking

The Bank continued to strengthen its customer service system, supported by advanced computer-telephony integration technology. The system integrates multiple service models—including automated voice response, manual assistance, and intelligent robots (featuring voice navigation and text interaction)—to provide comprehensive financial support covering business inquiries, transaction processing, feedback, and complaint handling, fully addressing the diverse needs of customers.

Building on this, and leveraging the intelligent customer service system, the Bank created a “zero-contact” banking service model. By continuously optimizing system processes within the customer service center and expanding service boundaries, the Bank is transforming the center from traditional support functions toward a more intelligent, personalized, and efficient operation. This evolution positions it as a service hub centered on customer engagement. In 2025, the Bank launched the third phase of its remote video banking project to further expand application scenarios, streamline business processes, and continuously enhance the customer service experience, delivering more efficient, convenient, and secure financial services.

Optimizing Service Experience

Establishing Customer Service Management Systems

Upholding its “New Lobby, New Service” brand, the Bank has formulated customer service management systems such as the *Lobby Environment Management Specifications* (《廳堂現場環境管理規範》) and *Integrated Outlet Lobby Management Specifications* (《網點廳堂一體化管理規範》). Concurrently, it issued operational guidelines such as the *Integrated Lobby Management Manual* (《廳堂一體化管理手冊》), the *Lobby Fixture and Placement Management Manual* (《現場環境定置定位管理手冊》), and the *Integrated Lobby Management Empowerment Toolkit* (《廳堂一體化管理賦能包》). A total of 37 standard service videos have also been released. The Bank is building a supportive service system throughout the customer’s full lifecycle journey. By establishing and improving service standards, perfecting quality control mechanisms, and strengthening personnel training and empowerment, the Bank aims to promote the comprehensive upgrade of customer service from standardization-driven to value creation.

Strengthening Services for Special Groups

To ensure thoughtful financial services for special groups, the Bank has formulated a series of documents such as the *Jinshang Bank Service Specifications for Special Groups* (《晉商銀行特殊人群服務規範》), *Jinshang Bank Scenario-based Service Videos for Elderly Customers* (《晉商銀行老年客戶服務場景化視頻》), and *Jinshang Bank Service Guidelines for Elderly Customers* (《晉商銀行老年客戶服務指引》) to optimize service standards. For both traditional and intelligent financial services, the Bank has established a series of differentiated and targeted aging-friendly service mechanisms to comprehensively optimize the financial service experience for the elderly.

Optimizing Traditional Services to Enhance the Banking Experience for Senior Customers

Outlet Facilities

- Guided by a customer-centric philosophy, the Bank integrates senior-friendly design principles into outlet site selection and construction, ensuring that outlet distribution and functional layouts are tailored to the needs of elderly customers.
- A comprehensive senior-friendly service system has been developed addressing four key areas: vision, hearing, mobility, and cognition. For vision, the Bank provides adjustable reading glasses, electronic queuing machines with enlarged displays, and simplified presentations of complex procedures. For hearing, portable hearing aids and voice-enabled calculators are available, and staff are trained to speak slowly and use clear, simple language. For mobility, priority service windows and full-process companion services are offered. For cognition, the Bank assists elderly customers in gradually adapting to new technologies, ensures regulatory risk disclosures are provided, and strictly adheres to the “Three Questions, One Reminder” Obligation.
- During the reporting period, the Bank’s first “Silver Hair” demonstration outlet -- Jinshang Bank Qiaotou Street Sub-branch officially opened. This outlet features upgraded senior-friendly infrastructure, clear signage, and dedicated manual services to ensure elderly customers receive attentive and considerate support.

Customer Service Hotline

- An exclusive menu for senior customers has been added to the customer service hotline, providing a rapid access function for automatic age identification, featuring one-click transfer to manual service, and simplified voice navigation, ensuring round-the-clock support for inquiries and transactions.
- The customer service team is equipped with basic dialect capabilities to better accommodate the linguistic needs of elderly customers, enhancing both the warmth and effectiveness of service interactions.

Leveraging Intelligent Technology to Bridge the Digital Divide for Senior Customers

Mobile Banking App

- A Care Edition of the Mobile Banking app has been launched, featuring redesigned interfaces and interactions tailored to senior users. Enhancements include a newly added help center, one-click access to customer service, and voice broadcast functionality—all designed to better meet the needs of elderly customers.

Intelligent Machines

- An “Elderly Mode” interface has been introduced on intelligent machines, offering a dedicated menu for nine high-frequency transactions. Fonts, colors, and contrast have been optimized to improve visual comfort and ease of use.



Case

Building a barrier-free financial experience through sign language

In 2025, a middle-aged man entered the Linfen Branch, urgently gesturing to express his need for help. Leveraging the sign language skills acquired during training, the branch employee quickly established effective communication with the customer and guided him to the STM smart service area. Throughout the interaction, the employee not only used sign language to deliver clear explanations but also emphasized key steps by raising fingers, ensuring the customer fully understood each procedure. Demonstrating great patience and professionalism, the employee effectively bridged the communication gap, leaving the customer with a sense of warmth and care.



Bank employee is providing sign language interpretation service

Listening to the Voice of Customers

The Bank conducts customer satisfaction surveys quarterly to ensure a comprehensive understanding of customer needs and opinions. It launched the "Your Voice Matters" customer opinion collection platform on the WeChat Official Account, encouraging customers to provide valuable suggestions on the Bank's products, services, and experience from dimensions such as service environment, service capability, service process, service content, and service attitude.

The Bank places high importance on customer feedback. Based on customer feedback, it has optimized financial products and service processes, formulated improvement measures, effectively enhanced service levels, continuously optimized customer experience, and comprehensively improved of the Bank's service quality. In 2025, customer satisfaction reached 99.66%.

Reinforcing Information Security

The Bank regards information security as the lifeline of its business and places a high priority on network and data security. It has established a robust accountability system for network security, strictly fulfilled its primary responsibility for risk management under the Party's leadership, and developed a relatively comprehensive organizational structure and technical protection framework for network security. In 2025, the Bank's information systems operated stably and securely, with no major information security.

Strengthening Information Security Governance

The Bank adheres to the principle of "who supervises is responsible, who operates is responsible, who uses is responsible", establishing a top-down information security governance structure that clarifies primary responsibilities and collaboration mechanisms at all levels, thereby ensuring the effective implementation of information security-related work.

Information Security Governance Structure

Network and Information Security Leadership Group

- The Group is headed by the Party Committee Secretary and Chairman as the primary responsible persons.
- It is responsible for coordinating major network and information security issues across the Bank, formulating development strategies, construction plans, and system norms, and overseeing the fulfillment of information security responsibilities by all units.

Information Technology Management Committee

- It is responsible for deploying and coordinating network and information security efforts, managing major issues in this area, and conducting regular reviews of network and information security work reports.

Head Office Technology Information Department

- The Department is responsible for the specific coordination and execution of network security work.
- It implements management and technical measures to ensure the security of network infrastructure, network operations, data, and information, while effectively responding to information security incidents.

Head Office Departments and All Outlets

- They cooperate in the handling of network security incidents.
- They carry out network security self-assessments and rectify identified issues.

The Bank has formulated a series of institutional documents, including the *Network Security Management Measures of Jinshang Bank* (《晉商銀行網絡安全管理辦法》), the *Data Security Management Measures of Jinshang Bank* (《晉商銀行數據安全管理辦法》), and the *Information Security Management Review Measures of Jinshang Bank* (《晉商銀行信息安全管理評審管理辦法》). In terms of data security management, the Bank's policies clearly define the management requirements for the data lifecycle, and establish implementation standards for security measures such as data encryption, least privilege access control, and anonymization. This ensures that all data security management requirements are effectively enforced, providing a solid institutional foundation for the Bank's data security management efforts.

Upgrading Security Assurance Measures

The Bank always regards information security protection as a key bank-wide task, establishing a comprehensive, multi-level information security technology protection system. It has realized security protection, monitoring and early warning, third-party security management, disaster emergency and recovery, security traceability, and other security assurance and network trust functions, enhancing the full lifecycle security protection capability of data.

Security Monitoring and Defense

- **Strengthened external security vulnerability monitoring:** The Bank conducted 24/7 monitoring and handling of phishing websites and counterfeit apps; performed 24/7 security monitoring of key internet applications to ensure the safe and stable operation of its website; carried out mobile application channel monitoring to identify and alert phishing risks in real time, establishing a robust external threat protection system.
- **Regular internal security system testing:** The Bank enhanced early warning monitoring and proactive defense capabilities; comprehensively advanced the optimization of terminal security control strategies and the installation of security management software, with regular reporting on terminal information security status; and periodically carried out bank-wide technology-specific inspections and regulatory risk alert investigations to refine security strategies and monitoring indicators.
- **Data security assessments and inspections:** The Bank identified the implementation status of data security protection measures across system requirements, development, testing, production, and monitoring phases; strengthened customer information protection management and continuously monitored risks related to customer sensitive information and privacy protection; and completed the filing of mobile banking apps and new media accounts in accordance with regulatory requirements.

Strengthening Third-Party Security Management

- The Bank formulated the *Measures for the Information Technology Outsourcing Risk Management of Jinshang Bank* (《晉商銀行信息科技外包風險管理辦法》), implementing a tiered and categorized management mechanism for IT outsourcing and conducting due diligence on key outsourcing service providers. For outsourcing data recipients that may be involved in data processing activities, the Bank specified the purpose, method, scope, and scale of data processing, the permitted storage period, and the conditions for onward transfer of data to third parties, thereby strictly safeguarding customer privacy and preventing data leakage incidents.

Data Security Emergency Management

- The Bank has formulated the *Overall Emergency Plan for Emergencies of Jinshang Bank* (《晉商銀行數據泄露專項應急預案》) and the *Special Emergency Plan for Data Leakage of Jinshang Bank* (《晉商銀行數據泄露專項應急預案》), establishing a four-level organizational structure composed of emergency decision-making layer, command layer, execution layer, and support layer. It defines different emergency scenarios for data leakage and adopts targeted response emergency measures. It comprehensively standardizes emergency operation procedures, covering the entire process including event blocking, traceability analysis, risk response, and system recovery. In 2025, the Bank conducted two data leakage emergency drills, further enhancing its ability to respond to data security incidents.

Information Security Capacity Building

- The Bank has established a professional technical support team for network and information security management and formulated specialized training plans to effectively enhance professional and technical expertise.



Case Jinshang Bank Recognized for Excellence in the "Five Small" Innovation Competition

The Bank participated in the 2025 Shanxi "Five Small" Innovation Competition, organized by the Shanxi Provincial Federation of Trade Unions and its Financial Workers' Union. The "Five Small" initiative refers to small inventions, small innovations, small improvements, small designs, and small suggestions. In this innovation competition, the Bank won the "Award of Excellence" in the competition. In addition, its Intelligent Protection System project and Financial Data Security Protection project each received Third Prize for Outstanding Achievements. Looking ahead, the Bank will continue to advance the "Five Small" initiative by strengthening the cultivation, promotion, and application of outstanding innovations, thereby sustaining its innovation momentum.

Disaster Recovery Management

The Bank has established a "Three Centers in Two Cities" disaster recovery architecture in Taiyuan and Beijing. The data centers are designed according to national Class A data center construction standards, continuously improving the disaster recovery capability of IT systems. For critical information systems, near-real-time synchronization is used to maintain multiple copies of data within the same city. Daily backups of application and database data are performed to backup servers, and backup data is periodically exported and stored at the disaster recovery center, ensuring multi-layer data protection. For core and other major information systems, standby databases (replicas) are configured for data synchronization, with data transmitted in real time to the off-site disaster recovery center in Beijing. As of the end of 2025, all important information systems of the Bank have achieved active-active architecture, comprehensively ensuring business continuity.

Conducting Information Security Audits

The Bank regularly conducts information technology audits covering areas such as IT operations, business continuity, and payment security, with a focus on major IT projects, critical outsourcing arrangements, and information security. In 2025, the Bank completed special audits on major IT projects and key information systems. Through systematic audit assessments, it identified prominent issues, potential risks, and management vulnerabilities, established a closed-loop rectification accountability mechanism, set clear rectification deadlines, and effectively enhanced its information technology risk management capabilities.

Emphasizing Customer Privacy Protection

The Bank pays high attention to on the protection of personal privacy, strictly complying with the *Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》) and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* (《中華人民共和國消費者權益保護法》). It has also established the *Measures for the Security Management of Personal Customer Financial Information of Jinshang Bank* (《晉商銀行個人客戶金融信息安全管理辦法》), and the *Personal Financial Information Incident Emergency Plan of Jinshang Bank* (《晉商銀行個人金融信息事件應急預案》), which set forth clear requirements for the collection, transmission, storage, use, correction, deletion, and destruction of customer information, ensuring compliance in all related activities. In 2025, the Bank experienced no major customer privacy breaches.

In accordance with regulatory requirements such as the *Financial Mobile Application Software Security Management Specification* (《移動金融客戶端應用軟件安全管理規範》) and the *Regulations on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications* (《常見類型移動互聯網應用程序必要個人信息範圍規定》), the Bank conducted comprehensive testing, certification, and filing for its client applications, including Mobile Banking and Corporate Mobile Banking, with a strong emphasis on implementing personal information protection measures.

To further strengthen the protection of financial consumers' personal information, the Bank formulated and implemented the *Work Plan of Jinshang Bank for the Regular Protection of Financial* (《晉商銀行金融消費者個人信息保護常態化工作方案》). This initiative involves a comprehensive review and assessment of issues and vulnerabilities in personal information protection, the establishment and enhancement of long-term governance mechanisms, and the continuous mitigation of potential risks. The Bank has integrated personal information protection into its special consumer rights protection inspections as a key focus, conducting on-site reviews on a quarterly basis, conducting in-depth analysis of root causes, and rigorously implementing corrective actions. These efforts ensure the effective execution of all protection measures and contribute to the continuous improvement of the Bank's personal information protection capabilities.



Adhering to a people-oriented development philosophy, Jinshang Bank has established talent development as a strategic priority. By building a full-chain mechanism that encompasses talent selection, cultivation, deployment, and retention, the Bank has continuously optimized its workforce structure, effectively safeguarded employee rights and interests, empowered employee growth, and demonstrated a strong commitment to employee care. In doing so, it strives to cultivate a high-quality, professional financial workforce that provides solid talent support and intellectual backing for its pursuit of high-quality development.

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Empowering Talent Growth



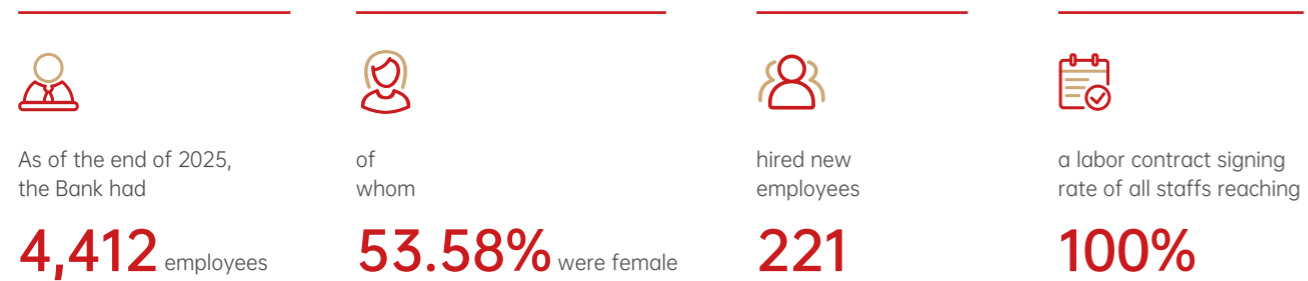
Protecting Employee Rights and Interests

The Bank adheres to the principles of compliant and equal employment, fully upholding equality and non-discrimination in the hiring process. It is committed to building a diverse and inclusive work environment, establishing and continuously improving a competitive compensation and benefits system, ensuring employees receive rewards commensurate with their contributions, maintaining open employee communication channels, and effectively safeguarding employees' legitimate rights and interests.

Promoting Compliant and Equal Employment

The Bank strictly complies with the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》) and the *Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》), and has formulated internal policies such as the *Administrative Measures for Staff Recruitment of Jinshang Bank* (《晉商銀行員工招聘管理辦法》) and the *Procedures for the Selection and Appointment of Management Personnel of Jinshang Bank* (《晉商銀行管理人員選拔聘任工作規程》), which explicitly prohibit any form of discriminatory clauses in recruitment. The Bank strictly complies with the *Provisions on the Prohibition of Child Labour* (《禁止使用童工》) and other legal requirements, verifying applicants' ages during recruitment to eliminate child labor. In the event of any violation, the Bank will initiate a verification process; if confirmed, the employment of the individuals concerned will be revoked. The Bank consistently adheres to the principle of voluntary and equal employment. In accordance with the *Labor Contract Management Measures of Jinshang Bank* (《晉商銀行勞動合同管理辦法》) and the *Employee Resignation Management Measures of Jinshang Bank* (《晉商銀行員工離職管理辦法》), it fully respects employees' freedom of choice in occupation and their intention to resign, and firmly opposes any form of forced labor.

The Bank is committed to building a diverse and inclusive workplace, upholding the principles of fairness and justice in all aspects such as recruitment, promotion, compensation, benefits, working hours, and leave. It strictly prohibits any discrimination based on gender, age, ethnicity, nationality, marital status, religious belief, or other factors, effectively safeguarding the legitimate rights and interests of its employees. As of the end of 2025, the Bank had 4,412 employees, of whom 53.58% were female. During the year, 221 new employees were hired, with a labor contract signing rate of all staffs reaching 100%.



Ensuring Compensation and Benefits

Adhering to the fundamental principle of "value distribution based on value creation", the Bank continued to improve a scientific, standardized, and market-oriented compensation management system, ensure equal pay for equal work, and guarantee full and timely salary payments. Employee compensation consists of base salary, performance pay, allowances and subsidies, and other components.

Linking Senior Management Compensation to Sustainability Indicators

The Bank ties the variable pay of senior executives to their performance assessment results. Assessment indicators cover operational compliance, risk management, core management, development & transformation, among others. Core management indicators evaluate areas such as scale, value, risk and compliance, with value creation metrics integrated into senior management' performance assessments. Development and transformation indicators focus on technology finance, green finance, inclusive finance, pension finance, digital finance incorporates the "Five Major Areas of Finance" and ESG-related indicators into the transformation agenda.

The Bank strictly follows legal requirements, contributing to social insurance and housing provident funds for all employees in full and on time, ensuring they enjoy their statutory rights. In addition, the Bank provides supplementary medical insurance and an enterprise annuity plan, further enriching the employee benefits system and effectively safeguarding employee rights.

Pension Security

The Bank has established an enterprise annuity plan for all employees, forming a pension security framework that combines basic pension insurance with enterprise annuity.

Healthcare Security

The Bank provides supplementary medical insurance for all active employees, covering critical illnesses, outpatient and emergency medical services, pharmacy purchases, hospitalization allowances, and accidental injuries. This significantly enhances employee protection and strengthens their sense of belonging and fulfillment.

Rest and Leave

The Bank values employees' right to regular leave. For employees who are unable to take annual leave or have remaining leave balances due to work requirements by year-end, the Bank provides compensation for unused leave. In addition, the Bank offers various types of leave, including maternity leave, paternity leave, bereavement leave, marriage leave, family visit leave, childcare leave, and eldercare leave, and provides a monthly childcare allowance to parents of children under three years old.

Strengthening Employee Communication

The Bank has established diverse employee communication channels, gradually achieving transparency in major decisions and matters of employee concern, thereby ensuring accountability in the exercise of authority. Through channels such as employee proposals and suggestion boxes, it comprehensively collects employee complaints, suggestions, and inquiries, and provides timely responses and feedback to ensure that employee concerns are effectively addressed and resolved.

In terms of democratic communication, the Bank has established a democratic management mechanism with the Employee Representative Congress as its basic form. By holding regular congress meetings, it provides convenient channels for employees to offer suggestions and feedback, effectively safeguarding employees' legitimate rights to information, participation, expression, and oversight. In 2025, the Bank held the Seventh and Eighth Meetings of the Second Employee Representative Congress, extensively soliciting employee opinions and suggestions on matters such as personnel compensation, employee management, and benefits. Through these efforts, it fully leveraged the role of the Employee Representative Congress to ensure the effective protection of employees' legitimate rights and interests.

Empowering Employee Development

The Bank regards its employees as its most valuable asset, providing them with a comprehensive career development system, systematic professional training, and diversified growth paths, fully supporting employees in achieving their career aspirations.

Creating Career Development Pathways

The Bank has formulated and implemented the *Administrative Measures for Professional and Technical Staff of Jinshang Bank* (《晉商銀行專業技術序列員工管理辦法》), establishing a scientific and standardized professional and technical talent management system. Currently, the management track, relationship manager track, general service track, and professional and technical track operate in parallel. Each track has a clear promotion path, and cross-track transfer mechanisms have been established to facilitate the orderly flow of talent. The Bank generally organizes a professional track assessment every two years to broaden employee career development space and promote talent growth.

Conducting Performance Appraisal and Evaluation

The Bank has formulated the *Performance Appraisal Measures for Head Office Staff of Jinshang Bank 2025* (《晉商銀行2025年總行員工績效考核辦法》), establishing a comprehensive performance appraisal and evaluation system that fully, objectively, and accurately assesses employee work performance and contributions. Performance appraisal covers all employees of head office departments.

The Bank continuously optimizes its performance feedback mechanism. If an employee disagrees with the appraisal result, they may report it to their department or the Asset and Liability Management Department, which will provide a timely explanation. If the employee still disagrees with the response, they may file a review application with the Asset and Liability Management Department. The Asset and Liability Management Department, together with the employee's department, will investigate and verify the situation. If the appraisal result is found to be improper, it will be corrected promptly; if the result is correct, the Department will provide further explanation and communication to ensure procedural fairness and adequate communication.

Enhancing the Training System

The Bank actively strives to become a "learning bank", having formulated and implemented the *Implementation Plan for Promoting the Construction of a "Learning Bank" of Jinshang Bank* (《晉商銀行關於推進「學習型銀行」建設的實施方案》) and the *Administrative Measures for Employee Education and Training of Jinshang Bank* (《晉商銀行員工教育培訓管理辦法》). It has established a three-tier (head office-branch-sub-branch) linkage training organizational structure and management model, combining departmental and regional responsibilities. Head office departments coordinate education and training within their respective business lines, professions, and fields, responsible for proposing training needs and plans for various types of talent. Branches and sub-branches implement training tasks according to training objectives and plans. Training covers various forms such as centralized instruction, online training, on-the-job training, and self-study. Employees are encouraged to pursue advanced degrees, professional skills certifications, and vocational qualifications. In 2025, the Bank conducted over 1,200 training sessions, with total employee participations exceeding 610,000. Total training hours exceeded 200,000 hours, with an average of 44.32 hours per employee. Employee training coverage reached 100%, and total investment in employee training was RMB8.0265 million.



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Organizing Leadership Training

The Bank continuously strengthens its management team, implementing the "Leading Eagle Training Program" (領鷹培訓計劃) for mid-to-senior level managers and the "Wild Geese Training Program" (群雁培訓計劃) for sub-branch managers. The programs focus on Party theory, corporate culture, integrity education, business management, and risk compliance, aiming to enhance the leadership and management capabilities of its management staff.



Case Jinshang Bank organizes "Leading Eagle" advanced training for mid-to-senior level managers

In 2025, the Bank organized the "Leading Eagle Training Program" for mid-to-senior level managers, with over 60 mid-to-senior level managers from across the Bank participating. The training program covered topics such as the interpretation of government work reports and macroeconomic policies, analysis and application of the "Five Major Areas of Finance" initiative, lean management and execution, leadership philosophy and thinking, and the application of game theory in economic management. Participants were organized to visit and receive on-site instruction at a leading domestic digital bank. Through the deep integration of theory and practice, the training effectively enhanced the strategic vision and comprehensive performance capabilities of the Bank's mid-to-senior level management team.



The Bank held the "Leading Eagle" advanced training for mid-to-senior level managers at Southwestern University of Finance and Economics

Case Jinshang Bank Organizes Training to Enhance the Performance Capabilities of Newly Appointed Managers

In 2025, the Bank held a training program to enhance the performance capabilities of newly appointed managers, with over 40 managers from various branches participating. The training curriculum was designed around modules such as Party Building Guidance, Management Enhancement, Marketing and Service, Psychological Empowerment, and Exchange and Discussion. This training not only provided a concentrated boost to business capabilities but also served as an important initiative to unify management thinking and cultivate a high-quality, professional management team.

Conducting Professional and Technical Talent Training

Based on the Bank's strategic development plan, business needs, and talent cultivation objectives, the Bank conducted training for professional and technical personnel covering professional theories, regulations and systems, operational standards, and business skills to enhance job competency.

Case Operations Function Launches "Talent Empowerment" Growth Plan

In 2025, the Bank organized the "Talent Empowerment" Growth Plan Training (Phase III) for its operations function. The training covered approximately 90 operations managers and supervisors from 14 branches across the Bank. Industry experts were invited to provide systematic, in-person instruction on topics including daily operations, compliance and risk control, customer service, team building, and emergency management. The training guided participants to deepen their professional understanding and enhance management execution, injecting new momentum into the continued stable operation of the Bank's operations system.



▶ Operations function staff are listening to expert instruction

Case Retail Function Launches "Excellence in Retail Leadership 2025" Specialized Training

In 2025, the Bank organized the "Excellence in Retail Leadership 2025" specialized training. The training targeted three key roles across branches: branch executives in charge of retail, heads of retail banking departments, and heads of individual loan centers. Through multi-dimensional instruction featuring authoritative interpretation, in-depth strategy analysis, case study inspiration, and management empowerment, the training fully equipped participants to integrate innovative thinking, precise strategies, and efficient management into their daily operations.

Advancing New Employee Training

The Bank carried out the "Young Goose" Training Program (雏雁计划), a new employee orientation program designed to cultivate a workforce that embraces the Bank's corporate culture, seamlessly transitions into professional roles, demonstrates passion and drive, and upholds efficiency and rigor in their work. The training covers corporate culture, professional ethics, foundational banking knowledge, risk management, internal controls, and other essential job-related competencies, effectively guiding new employees to grow into well-rounded professionals with the right attitude, strong capabilities, solid expertise, and meaningful contributions.

Supporting Employees in Obtaining Professional Qualifications

The Bank has established a robust continuing education and training mechanism, requiring each business line to develop tailored continuing education programs and assessment standards based on their specific operational characteristics. The certification requirement is being gradually extended from key business areas such as corporate banking, retail banking, inclusive finance, operations management, and risk management and credit to all professional and technical positions across the Bank. Each business line is responsible for ensuring that employees who have obtained job qualifications or professional certifications actively participate in continuing education and complete the required training hours and assessments on schedule. Employees who fail the continuing education assessment will have their certifications revoked and must undergo retraining and reassessment for job qualification.

The Bank has also established clear reimbursement policies for study-related expenses. Employees who obtain job-relevant professional qualifications listed in the National Vocational Qualification Catalog, or who pass examinations organized by industry associations or recognized authoritative institutions (such as AFP, CFP, PMP, ACCA, CMA, CFA, etc.), are eligible for full reimbursement of examination fees, officially designated textbook costs, and approved training expenses.



Protecting Employee Health

The Bank consistently prioritizes employee occupational health by continuously improving workplace safety and attending to employees' physical and mental well-being. This enables every employee to achieve both personal and professional growth in a safe and supportive environment.

Creating a Safe Workplace

The Bank strictly complies with the *Law of the People's Republic of China on Work Safety* (《中華人民共和國安全生產法》) and continuously enhances its workplace safety production management system, strengthening safety awareness and risk prevention capabilities among all employees. In terms of safety education and training, the Bank organized a variety of themed initiatives such as "Work Safety Month" and "Fire Safety Publicity Month", utilizing activities like knowledge contests to improve workplace safety competencies. Emergency drills were also conducted on a regular basis. In 2025, the Bank organized a total of 616 emergency drills across all branches, significantly enhancing its emergency response capabilities and reinforcing a strong line of defense for workplace safety.

Case Jinshang Bank Organizes Specialized Fire Safety Training

The Bank organized a specialized fire safety training session in 2025, inviting a senior engineer from the Fire Prevention and Supervision Division of the Taiyuan Fire Rescue Detachment to lead the session under the theme "Prevention First, Life Above All" as part of the Work Safety Month. Participants included heads of head office departments and branch presidents. The training offered an in-depth analysis of the current fire safety landscape, a detailed review of typical fire incidents, and a practical introduction to fire safety knowledge and hands-on techniques. Through this session, the primary leaders across the Bank strengthened their fire safety awareness and management capabilities, laying a solid foundation for reinforcing the Bank's fire safety defenses.



The Bank conducts specialized fire safety training to strengthen its safety defense

Promoting Physical Health

The Bank strictly complies with the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* (《中華人民共和國職業病防治法》), constantly advancing occupational health initiatives to enhance employees' health literacy. It organized annual health checkups covering all employees and actively promoted regular health activities, including health lectures, chronic disease management, exercise guidance, and first-aid training. These efforts helped employees develop a science-based approach to health and strengthen their capacity for self-care. In 2025, the Bank recorded zero work-related fatalities. The number of working days lost due to work-related injuries was 495. Expenditure on work-related injury insurance totaled RMB1.709 million, with coverage reaching 100%.



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Caring for Mental Health

The Bank places strong emphasis on employees' mental well-being. With the goal of becoming a "caring bank", it has established the Jinxinyuan Employee Mental Health Counseling Base and systematically implemented an Employee Assistance Program (EAP) across the organization. Through years of exploration, the Bank has developed a comprehensive mental health service system characterized by "head office-branch-sub-branch coordination, data-driven approaches, and targeted interventions", striving to ensure that "every employee feels seen, understood, and supported". This reflects the Bank's commitment to extending genuine care to the front line.

Case Jinxinyuan Establishes EAP to Safeguard Employee Mental Health

The Jinxinyuan Employee Mental Health Counseling Base follows the EAP framework and offers a "three-in-one" psychological service system covering three core functions: mental health promotion, crisis intervention, and team effectiveness enhancement. To ensure high-quality services, the Base employs 12 professionals certified as national Level 2 psychological counselors, providing standardized and specialized mental health support. Among its signature programs, the "Wise Parents Classroom" helps alleviate employees' stress related to their children's education, addressing parenting concerns and providing strong support for employees to focus on their work. In 2025, the EAP offered 20 group counseling sessions, 60 one-on-one coaching sessions for managers, and 220 one-on-one listening sessions for employees, serving nearly 1,000 employees.

"We have drawn on the internationally recognized EAP model to provide mental health services for our employees for five consecutive years. Through these five years of practice, EAP has not only enhanced employees' sense of happiness and belonging but also strengthened team cohesion and business collaboration, injecting new momentum into improving organizational effectiveness. We have developed an employee mental health care model with distinct financial sector characteristics".

—EAP Project Director

Prioritize Employee Care

Caring for Female Employees

The Bank demonstrates sincere care for its female employees by strictly implementing leave policies, including maternity, breastfeeding, and childcare leave. It has also set up nursing and childcare facilities in office areas, and continues to organize Women's Day events and female-focused programs, thereby enhancing workplace well-being for women.

Case Jinshang Bank Organizes a Series of Activities to Support Female Employees

To celebrate International Women's Day and express its deep appreciation for female employees, the Bank organized a themed event titled "Blooming Grace, Abundant Care". Branches and sub-branches actively responded by hosting a variety of activities exclusively for female employees, including flower arranging, cake making, outdoor excursions, pressed flower lamp crafting, fruit picking and spring outings, hand painting, fun games, and flower appreciation. Female employees across the Bank enjoyed a fulfilling and delightful time together, strengthening team cohesion and showcasing the vitality and charm of women in the new era.



Jinshang Bank organizes a diverse series of activities for International Women's Day

Supporting Employees in Difficulty

The Bank has formulated the *Guiding Opinions on Establishing the Employee Mutual Aid Fund of Jinshang Bank and Further Improving Assistance and Relief for Needy Employees* (《關於建立晉商銀行職工互助金及進一步做好困難職工幫扶救助工作的指導意見》), establishing a long-term mechanism to assist employees facing hardships. The Employee Mutual Aid Fund clearly defines the scope of support, funding criteria, and application procedures, ensuring relief efforts are both scientific and compliant. These measures effectively improve the basic living conditions of employees in difficulty and foster a culture of mutual support, harmony, and stability. In 2025, the Bank organized employee participation in the 21st Taiyuan Employee Medical Mutual Assistance Program, covering 770 employee participants with a total contribution of RMB27,720.



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Supporting Work-Life Balance

The Bank places strong emphasis on work-life balance for its employees. It actively organized a range of group activities, such as sports events, to enhance employee interaction, strengthen team cohesion, and cultivate a positive and healthy corporate culture.

Case Jinshang Bank Successfully Holds the 5th Staff Basketball Tournament

In 2025, the Bank successfully held its Fifth Staff Basketball Tournament under the theme "United in Linfen, Building Glory Together". The tournament brought together 17 staff teams from across the Bank, with nearly 300 athletes participating. Through the event, teams strengthened camaraderie and integration, fully demonstrating the spirit of unity, resilience, and competitive drive of the Bank's employees. The tournament inspired employees to channel greater enthusiasm and cohesion into the Bank's pursuit of high-quality development.



Teams from across the Bank gather to demonstrate their competitive drive through basketball

Jinshang Bank consistently upholds the principle of high-quality Party-building as a driver of high-quality development. To this end, it has established a "Dual Entry and Cross-Appointment" mechanism, refined its corporate governance structure, and enhanced the standardized operations of the Board of Directors. The Bank adopts a bottom-line approach to risk prevention, continuously strengthening digital risk control capabilities to reinforce its risk defense system. It remains committed to compliant operations, focusing on fostering a culture of integrity, and cultivating a clean and upright internal environment. The Bank also actively engages in public welfare initiatives, giving back to society and serving the public through concrete actions that reflect its commitment to social responsibility.

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Upholding the guidance of party building

The Bank consistently upholds the principle of high-quality Party-building as a driver of high-quality development. Following the principle, it actively leveraged the Party's guiding role in driving development, promoted the deep integration of Party-building with business operations, and explored the "Party-building Plus" working model to achieve synergy and mutual reinforcement between the two. In addition, it strengthened ideological development within the Party by innovating learning formats, enriching educational resources, deepening education in ideals and convictions, and enhancing Party spirit training. The Bank is committed to forging a highly skilled and politically reliable workforce.

Leveraging the Party's Guiding Role

The Bank fully integrated the Party's guiding into all aspects of corporate governance. It strictly implemented systems such as the *Opinions of Jinshang Bank on Strengthening Party Leadership in Improving Corporate Governance* (《晉商銀行關於在完善公司治理中加強黨的領導的實施意見》), and the *Implementation Opinions of Jinshang Bank on the Party Committee's Preliminary Study and Discussion of Major Operational and Management Matters* (《晉商銀行關於黨委前置研究討論重大經營管理事項的實施意見》). Decision-making lists for the Board of Directors, the Party Committee, and the President's Office, as well as a list of major matters requiring preliminary Party Committee study, have been formulated in a tiered and categorized manner. The mechanism for the advance review of Party Committee meeting agendas was strictly followed, with detailed pre-meeting and in-meeting procedures to ensure that the leadership team fully expressed their opinions and that scientific and democratic decision-making was achieved. In 2025, the Bank held 35 Party Committee meetings, where over 350 major operational and management issues were studied and decided, giving full play to the Party Committee's role in "setting the direction, managing the overall situation, and ensuring implementation".

In 2025, the Bank held **35** Party Committee meetings

where over **350** major operational and management issues were studied and decided

Promoting the Integration of Party-Building with Business Operations

The Bank deeply promoted the integration of Party-building with business operations, embedding Party-building throughout the entire business process to ensure mutual reinforcement and shared progress. It formulated the *Implementation Plan of the CPC Jinshang Bank Committee on the Creation of the "Party-Building Pioneer" Brand* (《中共晉商銀行委員會關於開展「晉領先鋒」黨建品牌創建工作的實施方案》). With Party committees, general Party branches, and Party branches as the key drivers, the Bank focused on the core priorities in the "Five Major Areas of Finance". It has advanced the "One Branch, One Brand" Party-building initiative and compiled the *Collection of Outstanding Brand Cases from the "Party-Building Pioneer" Brand Creation Program of Jinshang Bank* (《晉商銀行「晉領先鋒」黨建品牌創建活動優秀品牌案例集錦》). Through systematic planning, category-specific guidance, and role-model leadership, the Bank is committed to building a matrix system for the "Party-Building Pioneer" brand, transforming the brand creation process into an effective vehicle for enhancing Party-building quality, addressing reform challenges, and driving institutional development.

In 2025, the Bank diligently advanced its "Consolidating Foundations, Improving Quality and Efficiency" special initiative, breaking it down into six areas: Party building, operations and management, risk control, workforce development, corporate culture, and clean enterprise. By refining systems and improving mechanisms, the Bank strengthened Party building and effectively prevented systemic risks. In line with the needs of Shanxi Province's high-quality development, it fully advanced work in the "Five Major Areas of Finance", striving to serve as a pioneer and frontrunner in supporting the Shanxi's high-quality development through finance.

Case Party Members Provide Targeted Support to Empower Frontline Business Development

Jinshang Bank actively leverages the exemplary and vanguard role of its Party members. Following the principle of "Party Leadership, Targeted Support, and Shared Progress", the Bank selected 275 outstanding Party members to provide targeted mentoring, extending Party-building efforts to the frontlines. In 2025, a Party member task force pioneered the launch of an AI-powered intelligent document review system, accelerating the digital transformation of financial services. As a result, the average daily effective business hours per employee increased to 5.6 hours, the number of outlets offering flexible service hours grew to 44, and an average of 1.18 operational staff members per outlet were reallocated daily. The system successfully automates data-intensive work to free up employees for higher-value tasks.

Strengthening Ideological Development within the Party

The Bank formulated the *Jinshang Bank 2025 Study Plan for the Party Committee Theoretical Learning Center Group and Party Members and Cadres* (《晉商銀行2025年黨委理論學習中心組和黨員幹部理論學習計劃》), prioritizing the study and implementation of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era as its foremost political task. This involved a systematic and comprehensive examination of Xi Jinping's key instructions on Party building, self-reform, and the financial sector. The Theoretical Learning Center Group held experience-sharing sessions, and adopted measures like the make-up learning mechanism, session-specific reporting, and attendance observation to improve training results. These efforts enabled Party members and cadres to achieve full coverage and a deep, genuine understanding of the Party's latest theoretical advancements, fully leveraging the Center Group's role as a model for learning. In 2025, the Bank organized 17 centralized study sessions for the Head Office Party Committee Theoretical Learning Center Group, held 12 thematic seminars focused on the guiding principles of the Third Plenary Session of the 20th CPC Central Committee and Xi Jinping's key discourses on improving work conduct, Party building, and the reform of state-owned enterprises, and issued 17 study briefings.



In 2025, the Bank organized **17** centralized study

sessions for the Head Office Party Committee Theoretical Learning Center Group



held **12** thematic seminars focused on the guiding principles of

the Third Plenary Session of the 20th CPC Central Committee and Xi Jinping's key discourses on improving work conduct, Party building, and the reform of state-owned enterprises



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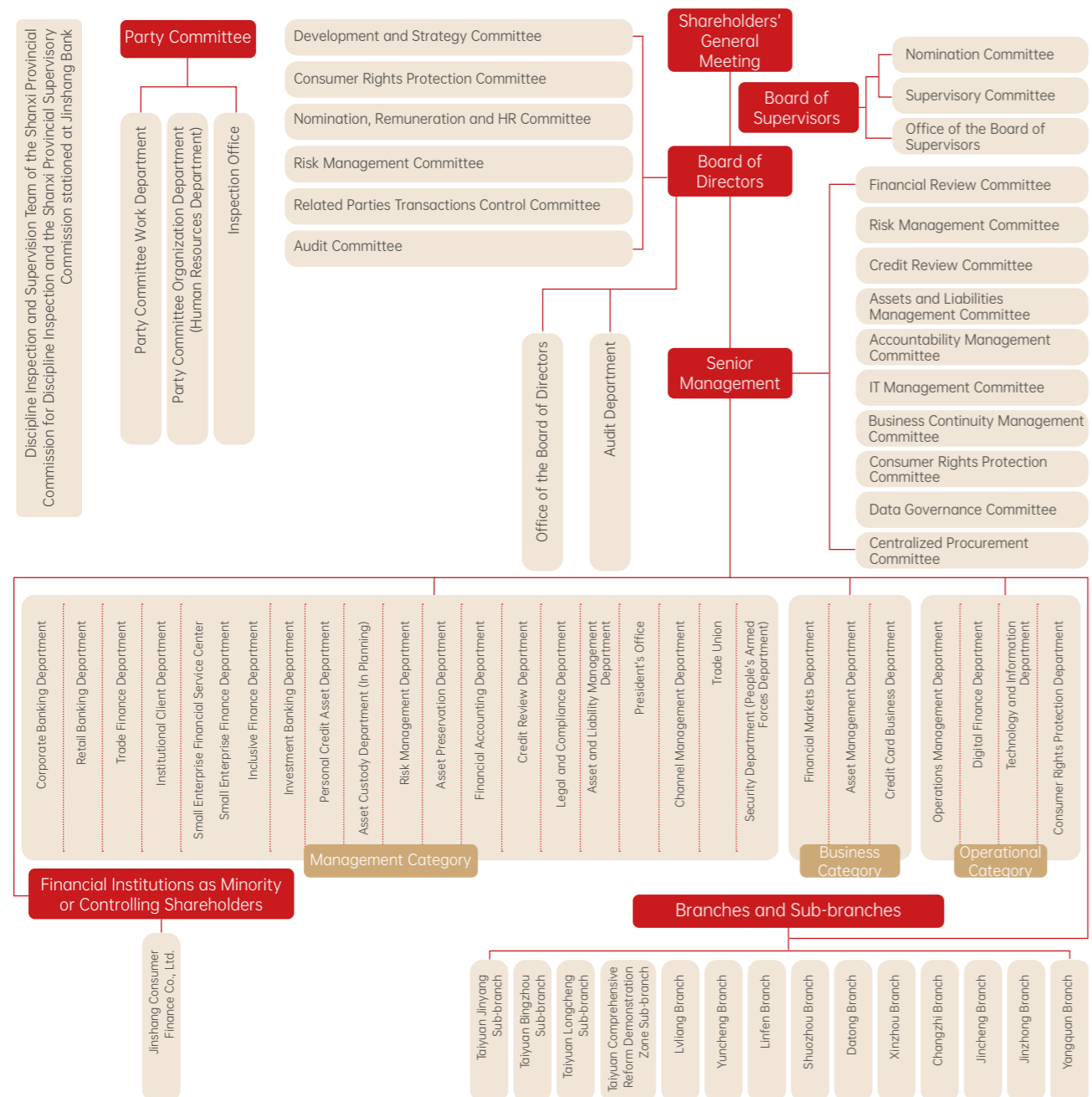


Improving the Governance System

Enhancing the Corporate Governance Structure

The Bank strictly complies with governance-related laws and regulations, including the *Company Law of the People's Republic of China* (《中華人民共和國公司法》), the *Law of the People's Republic of China on Commercial Banks* (《中華人民共和國商業銀行法》), the *Banking Supervision Law of the People's Republic of China* (《中華人民共和國銀行業監督管理法》), the *Corporate Governance Guidelines for Banking and Insurance Institutions* (《銀行保險機構公司治理準則》), as well as the governance requirements of the Hong Kong Stock Exchange. It has established a "four-pronged" governance structure consisting of the Shareholders' General Meeting, the Board of Directors, the Board of Supervisors, and Senior Management, in which various parties have clearly defined responsibilities, perform their respective functions, coordinate with each other, and maintain effective checks and balances. This structure continuously enhances corporate governance effectiveness, laying a solid foundation for the Bank's sound operations and sustainable development.

Organizational Structure of Jinshang Bank Co., Ltd.



Standardizing Board Construction and Operation

Board Effectiveness

The Bank maintains a record of directors' performance. Annually, it regularly records and evaluates directors' attendance at board meetings, their contributions, and their participation in training and research activities, which serves as a key basis for the annual assessment of director performance. In 2025, the Bank's directors diligently fulfilled their duties and earnestly performed their responsibilities, contributing to a comprehensive improvement in the Bank's operational management. During the year, a total of 5 Board of Directors meetings and 22 special committee meetings were held. The Board deliberated and approved 68 items and received 50 reports, with a 100% attendance rate at Board meetings.

Board of Directors Special Committees	Oversight Progress
Development Strategy Committee	Four committee meetings were held to review 10 items, including the <i>Proposal on the 2024 Profit Distribution Plan of Jinshang Bank Co., Ltd.</i> (《關於晉商銀行 2024 年度利潤分配方案的議案》)
Nomination, Remuneration, and Human Resources Committee	Three committee meetings were held to review 13 items, including the <i>Jinshang Bank 2025 Performance Appraisal Measures for Senior Management at the Head Office</i> (《晉商銀行 2025 年總行高級管理人員績效考核辦法》)
Audit Committee	Five committee meetings were held to review 7 items, including the <i>Proposal on the 2024 Financial Statement Report of Jinshang Bank Co., Ltd.</i> (《關於晉商銀行股份有限公司 2024 年度財務決算報告的議案》)
Risk Management Committee	Four committee meetings were held to review 17 items, including the <i>Proposal on the 2025 Risk Preference Statement of Jinshang Bank Co., Ltd.</i> (《關於晉商銀行股份有限公司 2025 年度風險偏好陳述書的議案》)
Related Party Transactions Control Committee	Four committee meetings were held to review 9 items, including the <i>Proposal on the 2025 Related-Party Credit Business of Jinshang Bank Co., Ltd.</i> (《關於晉商銀行股份有限公司 2025 年度關聯交易授信業務的議案》)
Consumer Rights Protection Committee	Two committee meetings were held to review, the <i>Proposal on the Guiding Opinions on Consumer Rights Protection of Jinshang Bank Co., Ltd. for 2025</i> (《關於晉商銀行股份有限公司 2025 年度消費者權益保護工作指導意見的議案》)

Board Diversity and Professionalism

The Bank emphasizes diversity among Board members, incorporating factors such as gender, age, cultural and educational background, professional experience, skills, knowledge, and tenure into the director selection criteria. This ensures a reasonably structured and diverse Board, providing a more comprehensive perspective and more professional support for the Bank's strategic decision-making and business development. The Board's Nomination, Remuneration and Human Resources Committee reviews the composition of the Board at least annually, ensuring that the diversity principle is effectively implemented when recommending new director candidates. As of the end of 2025, the Board had 13 directors, including 2 female directors. Each director brings extensive experience and unique insights in areas such as banking, financial management, risk management, and fintech.

Board Independence

The Bank attaches great importance to the independence of the Board. The *Articles of Association of Jinshang Bank* (《公司章程》) stipulate that independent directors may serve as independent directors in no more than five domestic and foreign enterprises simultaneously and may not serve concurrently in more than two commercial banks. Except for the Development Strategy Committee, the chairpersons of all other Board special committees are independent directors, ensuring the independence and professionalism of the committees' operations. The Bank's independent directors have no relationship with the Bank, its major shareholders, or its actual controllers that could affect their ability to make independent and objective judgments. As of the end of 2025, the Bank had 5 independent directors, accounting for approximately 38% of the Board members.



Deepening Investor Rights Protection

Protection of Minority Shareholders' Rights and Interests

The Bank effectively safeguards the legitimate rights and interests of minority shareholders. In the decision-making process for major matters, their rights to information, participation, and oversight are fully realized. By establishing efficient and convenient participation mechanisms, the Bank facilitates the involvement of minority shareholders in the Shareholders' General Meeting. In major decisions such as the nomination and election of directors and supervisors, and the review of financial reports, it ensures that minority shareholders enjoy equal rights.

Investor Relations Management

The Bank attaches great importance to investor relations management. It has formulated and actively implemented the *Work Plan of Jinshang Bank on Improving the Market Value Management Mechanism* (《晉商銀行關於完善市值管理機制的工作方案》) and established smooth communication mechanisms with investors. During the reporting period, through channels such as telephone hotlines and email, the Bank fully and promptly absorbed investor opinions and suggestions on its operations and management. It published business results through authoritative channels including its official website and the Hong Kong Stock Exchange's website, thereby demonstrating its development achievements to the market. In addition, based on the Bank's market positioning, business characteristics, and investor focus, it leveraged diverse channels such as social media and financial media to expand the reach and impact of its promotional and outreach activities.

Information Disclosure

The Bank strictly complies with the laws and regulations of Hong Kong and Mainland China, as well as its own articles of association, continuously improving the quality of information disclosure and ensuring timely and standardized disclosures. In 2025, the Bank concurrently published a total of 46 information disclosure documents, including periodic reports and interim announcements, on both the Hong Kong Stock Exchange's website and its own official website.

Conducting Comprehensive Risk Management

The Bank upholds risk prevention as a long-term priority. It has established a sustainable risk management mechanism, built a precise, end-to-end risk control system, and fostered a strong risk culture with heightened awareness across all employees.

Improving the Risk Management System

Risk Management Organizational Structure

The Bank adheres to the principle of "the Party manages risks", and has formulated and implemented the *Risk Management Measures of Jinshang Bank Group* (《晉商銀行集團風險管理辦法》) and the *Risk Management System and Basic Principles of Jinshang Bank* (《晉商銀行風險管理體系和基本原則》). A comprehensive risk management framework has been established, encompassing all outlets, business lines, and processes. This framework designates ultimate responsibility to the Board of Directors, provides effective oversight by the Board of Supervisors, ensures direct leadership from senior management, and fosters close collaboration among all departments. The Bank has established risk management and compliance roles within its head office business departments, entrusting them with the risk and compliance management of their respective departments or business lines. In addition, risk management leaders have been placed in each branch to ensure risk management at the frontline. These measures reinforce financial stability and safeguard financial security across the organization.

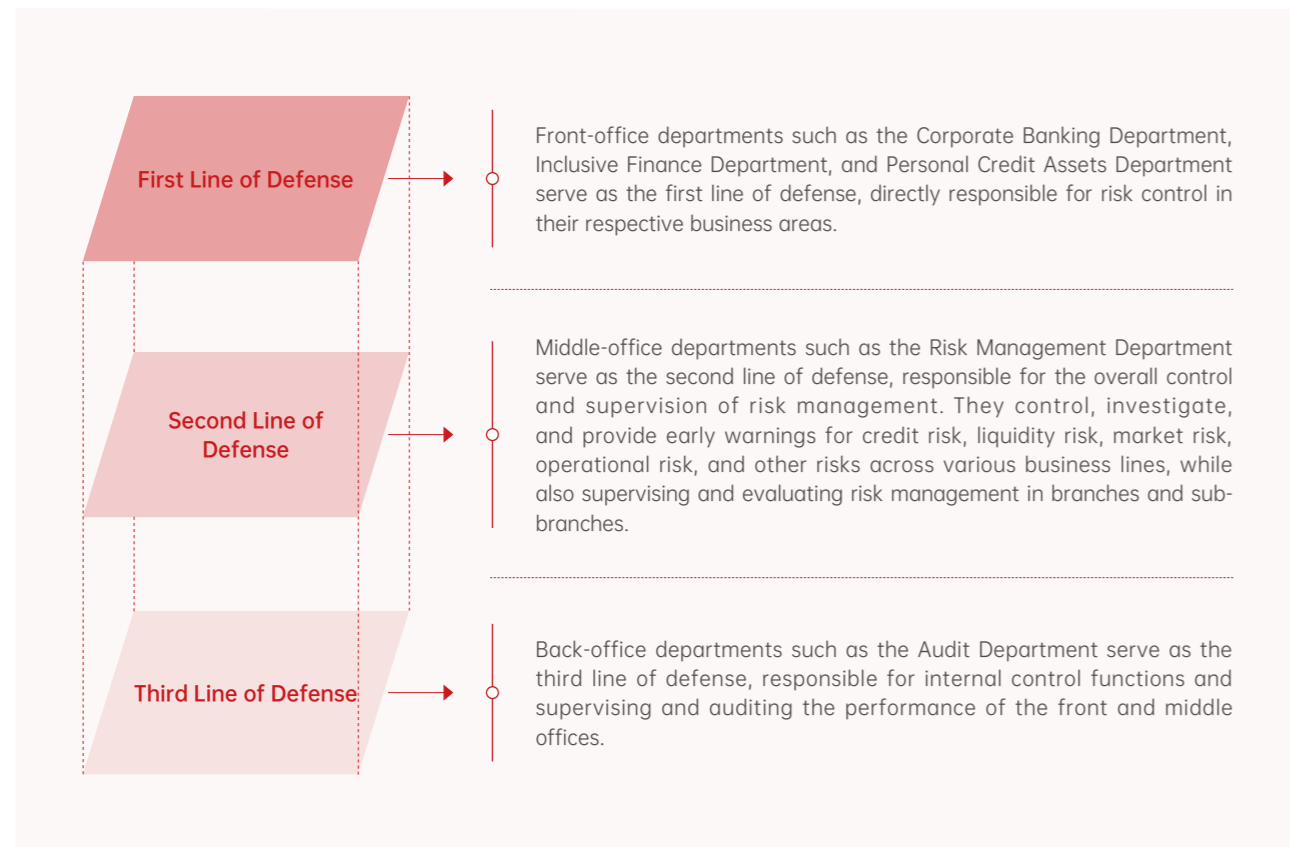
Risk Management Framework

The Bank has consistently enhanced its risk management framework by formulating and rigorously implementing a series of policies, including the *Risk Management System and Basic Principles of Jinshang Bank* (《晉商銀行風險管理體系和基本原則》), the *Market Risk Management Policies and of Jinshang Bank* (《晉商銀行市場風險管理政策、程序》), the *Liquidity Risk Management Measures of Jinshang Bank* (《晉商銀行流動性風險管理辦法》), the *Strategic Risk Management Measures of Jinshang Bank* (《晉商銀行戰略風險管理辦法》), and the *Reputation Risk Management Measures of Jinshang Bank* (《晉商銀行聲譽風險管理辦法》), establishing a comprehensive risk management framework.

Risk Management Mechanism

The Bank has established a "Three Lines of Defense" risk management mechanism across its front, middle, and back offices to effectively identify, assess, control, and monitor various risks.

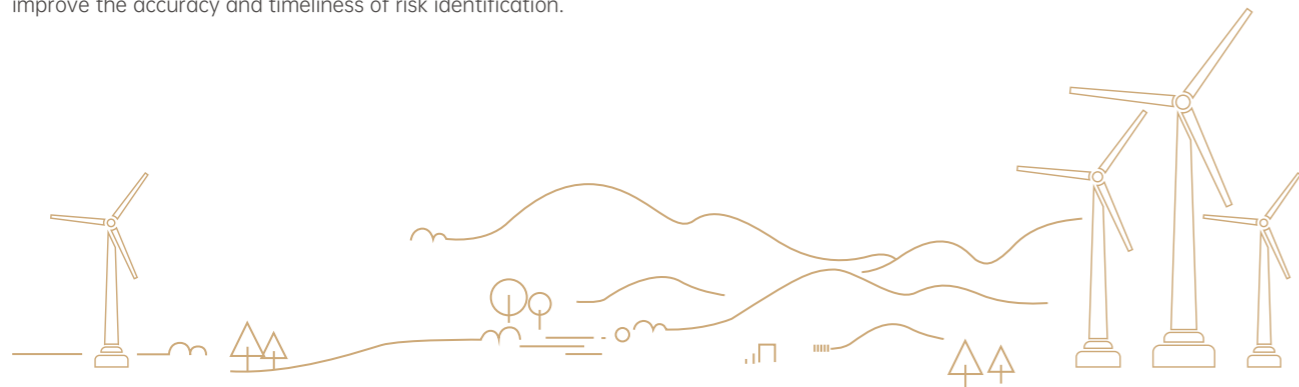




The Bank has established a two-way reporting mechanism for risk management, providing regular reports on comprehensive risk management to both the Board of Directors and Senior Management. For major incidents, branches and sub-branches report directly to the President/Manager at their level while also reporting to the Head Office Risk Management Department. A risk early warning mechanism is in place. For various risk events occurring during business operations, risk manager personnel conduct real-time monitoring and issue risk warnings to ensure the safety of credit assets.

Enhancing Digital Risk Control Capabilities

The Bank actively explored intelligent risk control technologies, leveraging big data and artificial intelligence technologies to comprehensively establish digital risk management systems, including the credit management system, comprehensive risk management system, impairment valuation system, and classified financial asset risk management system. It continued to iterate and upgrade core algorithms such as the credit approval risk control model, and real-time transaction anti-fraud model to constantly improve the accuracy and timeliness of risk identification.



Implementing Commitment to Compliance

The Bank actively promoted lawful and compliant operations, consistently integrating compliance management into its entire business process. It effectively prevented integrity-related risks and advanced the development of a clean corporate culture, ensuring that compliance was deeply embedded in both mindset and practice. The Bank also practiced responsible procurement and strengthened ESG risk management across its suppliers, while strictly adhering to tax-related laws and fulfilling its tax obligations.

Strengthening the Foundation of Compliance and Internal Control

Strengthening the Institutional Foundation

The Bank upholds the principle of "prudent compliance and operation", consistently enhancing its internal control and compliance systems at all levels. In 2025, it advanced the "establishment, amendment, and abolition" of its institutional framework, issued the *Notice on Further Strengthening System Management* (《關於進一步加強制度管理的通知》), and required bank-wide development of annual system establishment plans. Moreover, it organized a centralized review of its systems, and abolished outdated ones, continuously improving the relevance and effectiveness of its framework. During the year, 311 new and revised systems were established, and 311 systems were abolished.

Enhancing Employee Conduct Management

The Bank formulated the *Employee Behavior Management Measures of Jinshang Bank* (《晉商銀行從業人員行為管理辦法》) and the *Code of Conduct for Practitioners of Jinshang Bank* (《晉商銀行從業人員行為守則》). These policies, which clearly define the departments in charge of employee conduct management and their specific responsibilities, and systematically outline various types of misconduct, enable more standardized and feasible conduct management, while guiding and encouraging employees to uphold high ethical standards and act with integrity, honesty, and diligence.

In terms of employee accountability, the Bank adhered to the principles of balancing education and discipline, providing exemptions for due diligence while holding violations accountable. It formulated the *Measures for Handling Misconduct by Practitioners of Jinshang Bank* (《晉商銀行從業人員違規行為處理辦法》), the *Implementation Rules for Accountability for Misconduct by Practitioners of Jinshang Bank* (《晉商銀行從業人員違規行為問責實施細則》), and the *Implementation Rules for Points-Based Management of Misconduct by Practitioners of Jinshang Bank* (《晉商銀行從業人員違規行為積分實施細則》). These measures strengthen the scientific and standardized approach to accountability while fully leveraging the disciplinary mechanism's deterrent and educational functions, fostering a compliance culture in which all employees "dare not, do not want, and are unwilling to violate the rules".

Upholding Business Ethics

The Bank attaches great importance to strict Party governance. It has formulated and implemented a series of policies, including the *Opinions on Further Enhancing the Education, Management, and Supervision of the Young Management Personnel of Jinshang Bank* (《關於進一步加強晉商銀行年輕幹部教育管理監督的意見》), establishing robust long-term mechanisms against corruption and solidifying the bottom line of integrity.

Deepening Full and Strict Party Governance

The Bank intensified political and daily supervision, focusing on key matters, critical areas, and core processes, clearly defining oversight points and implementing list-based supervision. It promoted the convening of integrated supervision promotion meetings and deepened the linkage between discipline inspection and audit, as well as discipline inspection and internal patrol. In case handling, it demonstrated a "high-pressure" stance by uncovering related clues and rigorously investigating similar issues based on exposed problems. With a "zero-tolerance" approach, it ensured that every case was investigated and every corrupt act was punished, effectively preventing violations such as embezzlement, bribery, extortion, and fraud.

The Bank formulated the *Measures on Promoting Rectification through Lessons from Typical Disciplinary and Illegal Cases* (《運用典型違紀違法案件推動以案促改工作辦法》) and the *Work Plan for Implementing Recommendations on Rectification and Governance* (《關於落實以案促改促治建議的工作方案》), establishing a long-term mechanism featuring clearly defined responsibilities and a closed-loop process. It also held a consultation meeting on "promoting rectification and governance through case studies", where it conducted an in-depth analysis of the root causes of issues exposed by serious disciplinary and illegal cases in recent years. This facilitated coordinated efforts across the Bank to address both symptoms and root causes, transforming supervisory outcomes into tangible governance effectiveness.

Note: For more information on corruption cases, please visit the official website of the Central Commission for Discipline Inspection and the National Commission of Supervision.

Case Deepening Full and Strict Party Governance and Advancing Party Conduct and Integrity Building in an Orderly Manner

In February 2025, Jinshang Bank held its annual conference on full and strict Party governance and the building of Party conduct and integrity. At the meeting, participants thoroughly studied Xi Jinping's important thinking on the Party's self-revolution, discussed how to earnestly implement the guiding principles from the Fourth Plenary Session of the 20th Central Commission for Discipline Inspection (CCDI) and the Fifth Plenary Session of the 12th Shanxi Provincial Commission for Discipline Inspection, and signed the "Two Responsibilities" Target Responsibility Letter for Implementing Full and Strict Party Governance. (The "two responsibilities" refer to the Party Committee's primary responsibility and the Discipline Inspection Commission's oversight responsibility.)

In March of the same year, the Bank's Party Committee and the Discipline Inspection and Supervision Team stationed at the Bank held a joint consultation meeting on "Further Advancing Full and Strict Party Governance", followed by a special session dedicated to the same topic. During these meetings, both parties jointly assessed the Bank's progress in exercising full and strict Party governance, identified existing issues, exchanged views and suggestions, and proposed actionable measures to effectively improve the quality and efficiency of Party governance.



Jinshang Bank holds its annual conference on full and strict Party governance and the building of Party conduct and integrity

Reporting and Whistleblower Protection

The Bank fully leveraged the role of public oversight. It formulated the *Measures for Handling Petitions of Jinshang Bank* (《晉商銀行信訪工作辦法》) and the *Measures for Petition Reporting of Jinshang Bank's Discipline Inspection Department* (《晉商銀行紀檢機構信訪舉報工作辦法》), continuously improving the disciplinary inspection and supervision reporting mechanism. Five reporting channels were available: letters, in-person visits, telephone, online, and email, providing employees and external stakeholders with diversified, convenient, and efficient avenues for supervision and feedback. The Bank fully implemented the unified acceptance, centralized management, and standardized handling of internal reports, effectively enhancing the quality and efficiency of petition and reporting work. It continuously strengthened supervision methods, upgraded the "One Body, Two Wings" intelligent supervision platform, and promoted the "Supervision Express" public disclosure platform. Regarding whistleblower protection, the Bank strictly enforced confidentiality policies, established comprehensive protection mechanisms, resolutely prevented retaliation, and effectively safeguarded the legitimate rights and interests of whistleblowers.

Strengthening Integrity Education

The Bank promoted regular and institutionalized discipline education. It provided disciplinary learning and training for key groups, including top leaders, young managers, newly promoted managers, managers in key positions, newly developed Party members, and new employees. Comprehensive warning education was conducted, using cases to illustrate ethics, discipline, law, and responsibility. Through the "Clean Jinshang" public WeChat account, the Bank regularly published interpretations and commentary articles on Party discipline and state laws, as well as typical cases. It established special columns such as "Deeply Implementing the Spirit of the Central Eight-Point Regulations" (深入貫徹中央八項規定精神學習教育) and "Interpretation of the Supervision Law", fostering an atmosphere of learning, understanding, clarifying, and abiding by discipline. In 2025, a total of 52 anti-corruption training sessions were conducted, reaching over 10,000 participants.

Case Accountability Training on Misconduct Reinforces Compliance

In 2025, the Bank held a specialized training session for employees at its Head Office and branches on the coordinated handling of violations, breaches, and illegal acts. The training provided a systematic overview of key internal policies, including the *Implementation Rules for Points-Based Management of Misconduct by Practitioners of Jinshang Bank* (《晉商銀行從業人員違規行為積分實施細則》), the *Measures for Handling Misconduct by Practitioners of Jinshang Bank* (《晉商銀行從業人員違規行為處理辦法》), and the *Guidance Manual on the Coordinated Handling of Violations, Breaches, and Illegal Acts* (《違規違紀違法行為處理貫通銜接指導手冊》). Branches were required to communicate the training content to their subordinate institutions, helping employees gain a clear understanding of accountability standards and procedures. This ensured comprehensive policy coverage and effectively strengthened compliance awareness and bottom-line thinking across the Bank.

Case Building a Strong Foundation Through Discipline: Jinshang Bank Launches "Clean Jinshang Culture Building Month"

The Bank made extensive efforts to advance the "Clean Jinshang Culture Building Month" initiative. Under the theme "Learning Discipline, Understanding Rules, Upholding Integrity, and Driving Innovation", a series of activities were organized, including a clean culture-themed creative works collection, the production of "Cloud Classroom on Discipline and Law" short videos, family-led integrity initiatives, and a planning proposal competition titled "Striving for Excellence - AI-Powered Smart Oversight". Leveraging the "Clean Jinshang" official WeChat account, the Bank published over 110 original articles and 71 short videos, which together garnered more than 51,000 views—a strong testament to the effectiveness of its clean culture efforts.



"Family Tradition Sharing and Reading Club" Activity

Case Jinshang Bank Organizes Party Members and Cadres for Warning Education

In 2025, over 50 Party member leaders—including the Bank's Party Committee Secretary and Chairman, members of the leadership team, heads of Head Office departments, heads of branches and sub-branches, as well as mid-level deputy heads and key personnel—visited the Shanxi Provincial Party Style and Integrity Education Base to tour the Shanxi Province Special Exhibition on Implementing the Spirit of the Central Eight-Point Regulations. The participants received a profound warning education, which further strengthened their awareness of discipline and reaffirmed their commitment to upholding political integrity.



Jinshang Bank Party members and cadres are receiving warning education

Case "Integrity Lecture Hall" Provides Regular Training

The Bank established the "Integrity Lecture Hall" as a training platform focused on enhancing the professional capabilities of discipline inspection and supervision personnel. Experts in discipline inspection and supervision, along with internal managers, were invited to deliver lectures. By the end of 2025, 29 training sessions had been held, and the "Integrity Lecture Hall" had become a key forum for management personnel to exchange ideas and strengthen their professional skills, playing a vital role in improving their ability to accurately identify issues and enforce discipline in a standardized manner.



Managers and employees participating in a "Clean Lecture Hall" training session

Deepening Anti-Money Laundering Management

The Bank strictly complies with the *Anti-Money Laundering Law of the People's Republic of China* (《中華人民共和國反洗錢法》), the *Counterterrorism Law of the People's Republic of China* (《中華人民共和國反恐怖主義法》), the *Measures for the Administration of Customer Due Diligence and the Retention of Customer Identity Information and Transaction Records by Financial Institutions* (《金融機構客戶盡職調查和客戶身份資料及交易記錄保存管理辦法》), as well as other relevant laws, regulations, and regulatory requirements. Adhering to a risk-based approach in anti-money laundering efforts, the Bank formulated and implemented policies such as the *Anti-money Laundering Management Measures of Jinshang Bank* (《晉商銀行反洗錢管理辦法》), the *Anti-Money Laundering and Counter Terrorist Financing Risk Assessment Measures of Jinshang Bank* (《晉商銀行業務洗錢和恐怖融資風險評估辦法》), and the *Anti-Money Laundering System User Management Rules* (《晉商銀行反洗錢系統用戶管理細則》), establishing a sound anti-money laundering supervision and management system.

The Bank adheres to the principles of "risk-based approach" and "know your customer (KYC)". It formulated the *Implementation Rules of Jinshang Bank for Large and Suspicious Transaction Reporting* (《晉商銀行大額交易和可疑交易報告實施細則》), clarifying that reporting suspicious transactions is the duty of all employees, who have the right to report suspected misconduct or suspicious transactions identified during business operations. For customers involved in or suspected of engaging in money laundering activities, the Bank reported to regulatory authorities in a timely manner and implemented appropriate risk control measures, including but not limited to restricting transaction size, transaction channels, and product access, suspending services, and terminating business relationships. Dedicated personnel were assigned to handle anti-money laundering reports, taking full responsibility for the entire process—from report reception, registration, and preliminary screening to assignment, verification, and follow-up—based on the nature of the facts and the scope of individuals involved.

Anti-Money Laundering Audit

The Bank organizes a special anti-money laundering audit annually, focusing on areas such as the anti-money laundering organizational structure, internal controls, system design and development, customer due diligence, retention of account information and transaction records, large and suspicious transaction reporting, and anti-money laundering publicity and training. In 2025, the annual anti-money laundering special audit was conducted, and relevant departments were urged to actively rectify any identified issues.

Anti-Money Laundering Training

The Bank regularly conducts anti-money laundering training sessions for all employees, including Board members, Senior Management, key position personnel, and new hires. Through measures such as setting up anti-money laundering education columns, watching anti-money laundering case videos, and holding special meetings on anti-money laundering, a comprehensive, multi-level, and multi-dimensional anti-money laundering management education and training system has been established. This system focuses on enhancing awareness of anti-money laundering responsibilities, promoting a risk management and compliance culture, reinforcing bottom-line thinking, and improving capabilities in monitoring, identifying, and handling money laundering risks.

Strengthening Intellectual Property Protection

The Bank strictly adheres to the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》), the *Copyright Law of the People's Republic of China* (《中華人民共和國著作權法》), the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), the *Commercial Bank Law of the People's Republic of China* (《中華人民共和國商業銀行法》), the *Computer Software Copyright Registration Measures* (《計算機軟件著作權登記辦法》), and other applicable laws, regulations, and regulatory requirements. It formulated and implemented the *Intellectual Property Management Measures of Jinshang Bank* (《晉商銀行知識產權管理辦法》), clarifying the management of the entire process of intellectual property creation, utilization, and protection. The Bank actively promoted patent applications and software copyright registrations in key areas such as fintech innovation and information system development. Through related training, it enhanced employees' awareness of intellectual property protection, effectively prevented infringement risks, and provided a solid legal foundation for innovative business development.

Practicing Responsible Procurement

The Bank has established a sound centralized procurement system, with the *Centralized Procurement Management Measures of Jinshang Bank* (《晉商銀行集中採購管理辦法》) as its core, supported by complementary policies such as the *Decentralized Procurement Management Measures of Jinshang Bank* (《晉商銀行分散採購管理辦法》), the *E-commerce Platform Procurement Management Measures of Jinshang Bank* (《晉商銀行電商平台採購管理辦法》), the *Implementation Rules for the Procurement of Business Office Premises through Purchase or Lease* (《晉商銀行營業辦公用房購置及租賃採購實施細則》), and the *Implementation Rules for Centralized Procurement Supplier Management* (《晉商銀行集中採購供應商管理實施細則》), providing institutional support for the orderly implementation of centralized procurement across the Bank. The Bank also issued the *Centralized Procurement Supervision and Management Measures of Jinshang Bank* (《晉商銀行集中採購監督管理辦法》), which establish a recusal mechanism for procurement-related interests and require on-site supervision during bid evaluation for key projects, creating a fair and equitable environment for the procurement process.

The Bank has established a comprehensive supplier management process covering the entire lifecycle—from supplier selection and review, performance evaluation, to retention and elimination. It refined its evaluation mechanism by developing an indicator system that includes traditional dimensions such as quality control, compliance management, and risk management, while also introducing ESG-related indicators such as environmental protection, green procurement, and anti-corruption. Through a tiered and categorized supplier management approach and a dynamic optimization mechanism, the Bank continuously improved the compliance level and sustainable development capacity of its supplier management. In 2025, 106 new suppliers were added by the Bank. Additionally, it conducted comprehensive and rigorous reviews of its suppliers, achieving 100% review coverage for the year.



conducted

1 ESG training session for suppliers



achieving

100% review coverage for the year

Environmental Risk Management

- The Bank adhered to the *Centralized Procurement Management Measures of Jinshang Bank*, requiring that the design, manufacturing, packaging, and transportation of procured goods, as well as related projects and services, comply with national environmental protection standards.
- Under equal conditions, priority was given to energy-saving and environmentally friendly products and services.

Social Risk Management

- The Bank considered supplier integrity and self-discipline as key prerequisites for cooperation. The *Integrity and Self-Discipline Acknowledgment* was embedded in procurement documents, clearly requiring all suppliers to comply with relevant laws, regulations, and the Bank's integrity management provisions, jointly fostering a clean and fair business environment.

Fulfilling Tax Obligations

The Bank strictly complied with the *Law of the People's Republic of China on the Administration of Tax Collection* (《中華人民共和國稅收征收管理法》), the *Law of the People's Republic of China on Enterprise Income Tax* (《中華人民共和國企業所得稅法》), the *Provisional Regulations of the People's Republic of China on Value-Added Tax* (《中華人民共和國增值稅暫行條例》), as well as other applicable laws and regulations. It formulated the *Tax Management Measures of Jinshang Bank* (《晉商銀行稅務管理辦法》) and established a tax management system following the principles of "unified leadership, tiered management, and a combination of consolidated and local tax filing". The Bank continuously optimized its tax risk management mechanism, effectively identified and mitigated various tax risks, evaluated and analyzed overall tax activities through ongoing tax monitoring and assessment, and comprehensively enhanced its tax expertise and management practices.

Engaging in Public Welfare Activities

The Bank shoulders the responsibility of giving back to society and serving the public, actively engaging in public welfare initiatives. In 2025, the Bank conducted 60 employee volunteer activities, with total volunteer service hours exceeding 1,500 hours, benefiting 25,000 people.



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Volunteer Services

- The Bank mobilized young Party members and League members to participate in themed activities such as "Learn from Lei Feng" and International Volunteer Day. Regular volunteer activities were carried out on themes including tree planting, exam support for students, care for the elderly, and snow clearing, promoting the spirit of dedication.

Charitable Donations

- Through initiatives and mobilization efforts, the Bank encouraged all employees to take part in the "Sharing Warmth and Love" charity donation drive, raising RMB187,100 to support disadvantaged groups.

Party-Building Partnerships

- In coordination with the Organization Department of the Taiyuan Municipal Committee, the Bank organized networked Party-building activities between sub-branches and sub-district offices across Taiyuan. Party branches in various districts of Taiyuan were engaged in Party-building activities with communities during key occasions such as the Party's Day on July 1st and the Double Ninth Festival. Activities included donating books to sub-district offices, visiting elderly Party members, and offering care to disadvantaged seniors, helping to bring financial services to the community and contribute to improving people's livelihoods.



Case Youth Volunteer Service: Supporting Students in Pursuing Their Dreams

In 2025, the Longcheng Sub-branch set up volunteer service, exam support, and test-taker assistance stations around local exam centers to support students taking the college entrance examination. At the exam support stations, employee volunteers prepared essential supplies such as gel pens, 2B pencils, and erasers to address any last-minute needs. At the test-taker assistance stations, volunteers worked with traffic police to help manage traffic flow around exam centers, ensuring orderly vehicle movement and smooth access for test-takers—bringing care to both students and their families.



Case Party-Building Partnership Upholds Commitment to Veterans

In 2025, the Bank's Taiyuan Bingzhou South Road Sub-branch and the Yingze Sub-district Party Working Committee jointly organized a themed initiative, "Caring for Veterans". During the event, the two organizations distributed care packages to veterans on-site and extended New Year greetings. They also visited a 95-year-old retired veteran, whose simple and honest lifestyle and deep devotion to the country left a lasting impression on all who attended. These in-person visits and meaningful exchanges not only demonstrated social concern to veterans but also reinforced a culture of respect and care for veterans.



Group photo of Taiyuan Bingzhou South Road Sub-branch and Yingze Sub-district Party Working Committee visiting veterans and distributing care packages

Appendixes

About this Report

This report is the seventh annual Environmental, Social and Governance Report (hereinafter referred to as "this report" or "ESG Report") issued by Jinshang Bank Co., Ltd. (hereinafter referred to as "Jinshang Bank" or "the Bank") after listing. This report truly and objectively describes the corporate social responsibility fulfilment activities of the Jinshang Bank and its subsidiaries in 2025, and focuses on disclosing the environmental, social and governance information.

Reporting Period

This report is an annual report covering the period from January 1, 2025, to December 31, 2025 (the "Reporting Period"), with some information exceeding the Reporting Period.

Reporting Scope

This report is primarily about the Jinshang Bank and its subsidiaries, including the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township Bank Co., Ltd. ("Qingxu Jinshang Village and Township Bank"), unless otherwise specified.

Reporting Language

This report is available in both traditional Chinese and English versions. For any inconsistency in this report, the traditional Chinese version shall prevail.

Reporting Guidelines

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Code* (ESG Code) as set out in Appendix C2 of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* issued by the Stock Exchange of Hong Kong Limited ("HKEX"), and the *Guidelines on Corporate Social Responsibility for Banking Financial Institutions of China* (《中國銀行業金融機構企業社會責任指引》) issued by China Banking Association. It also references relevant documents and standards, including the *Corporate Sustainability Disclosure Standards – Basic Standards (Trial)* (《企業可持續披露准則——基本准則(試行)》) and the *Corporate Sustainability Disclosure Standard No. 1 – Climate (Trial)* (《企業可持續披露准則第1號——氣候(試行)》) jointly issued by nine ministries and commissions including the Ministry of Finance; the *Sustainability Reporting Guidelines of the Global Reporting Initiative* (GRI Standards) of the Global Sustainability Standards Board (GSSB); and the United Nations Sustainable Development Goals (SDGs).

Basis of Data

The financial data in this report comes from the annual report 2024 the Bank after audit. In case of any inconsistency between the data contained in this report and that in the annual report, the annual report shall prevail. Other statistical data cover the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township bank, unless otherwise specified.

Unless otherwise stated, amounts referred to in this report are in RMB.

Reporting Principles

Materiality: The threshold at which ESG issues determined by the Board will have a significant impact on investors and other stakeholders that they should be reported. For the purpose of Part D of the *ESG reporting Code*, an issuer must disclose information about climate-related risks and opportunities that could reasonably be expected to affect its cash flows, its access to finance or cost of capital over the short, medium or long term.

Quantitative: Key performance indicators in respect of historical data need to be measurable. The Issuers should set targets (which be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative explaining its purpose, impacts, and giving comparative data where appropriate.

Balance: The ESG report should provide an unbiased picture of the issuer's performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgement by the report reader.

Consistency: The issuers should use consistent methodologies to allow for meaningful comparisons of ESG data over time.

Independent Assurance of the Third Party

To ensure the authenticity and reliability of this report, KPMG Huazhen LLP is engaged to provide limited assurance on the selected key data as disclosed in this report and produce an independent assurance report of the third part.

Issuance

This report is available in electronic version. The electronic version of this report can be downloaded from the official website of Jinshang Bank (<http://www.jshbank.com>) and the website of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>).

ESG Performance Table

Economic performance

Indicator	Unit	2025	2024	2023
Operating income	RMB100 million	54.45	57.91	58.02
Net profits	RMB100 million	16.63	17.50	20.01
Total assets	RMB100 million	3,930.00	3,763.06	3,613.05
Deposit balance	RMB100 million	3,110.54	3,008.63	2,810.82
Loan balance	RMB100 million	2,176.26	2,014.14	1,914.36
Basic earnings per share	RMB	0.29	0.30	0.34
Return on average total assets	%	0.43	0.47	0.57
Return on average equity	%	6.06	6.88	8.31
Non-performing loan ratio	%	1.95	1.77	1.78
Provision coverage rate	%	191.00	205.46	198.71
Capital adequacy ratio	%	13.96	12.84	13.17

Social performance

Workforce composition

Indicator	Unit	2025	2024	2023	
Total employees ¹ (Regular employees)	person	4,412	4,373	4,429	
By gender	Male	person	2,048	2,028	2,037
	Female	person	2,364	2,345	2,392
	Percentage of male employees	%	46.42	46.38	45.99
	Percentage of female employees	%	53.58	53.62	54.01
By age	50 and above	person	449	443	443
	40 to 49	person	703	590	532
	30 to 39	person	2,561	2,546	2,536
	29 and below	person	699	794	918
By education	Master and above	person	1,041	988	912
	Bachelor	person	2,987	2,959	3,013
	Others	person	384	426	504

Note1: The statistical caliber for the total number of employees is the total number of formal employees and dispatched workers who have signed labor contracted with the Jinshang Bank and its subsidiaries, including the head office, 14 branches with their sub-branches and Qingxu Jinshang Village and Township bank. In 2025, all employees of the Bank were full-time staff, with no part-time personnel.

Indicator	Unit	2025	2024	2023	
By region	Taiyuan	person	2,631	2,619	2,686
	Lvliang	person	177	175	176
	Yuncheng	person	174	166	162
	Linfen	person	196	191	201
	Shuozhou	person	200	197	193
	Datong	person	195	189	191
	Xinzhou	person	209	195	187
	Changzhi	person	164	164	164
	Jinzhong	person	160	153	149
	Jincheng	person	195	176	174
	Yangquan	person	111	107	105
Number of new employees	person	221	97	195	
Number of disabled employees	person	15	15	13	
Veterans employees	person	109	109	/	
Number of dispatch workers	person	0	21	/	
Percentage of dispatch workers	%	0	0.48	/	

Employee trainings

Indicator	Unit	2025	2024	2023
Number of training attendees ¹	10 thousand person	61.84	84.20	60.03
The training coverage of employees ²	%	100	100	95
Total accumulated training hours of employees	10 thousand hour	20.56	29.79	25.94
Number of AML training	time	68	66	93
Total training investment ³	RMB10 thousand	802.65	747.80	1,325.83

Note1: The statistical caliber for the 2025 and 2024 data covers the Jinshang Bank and its subsidiaries, including the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township bank; for 2023, the statistical caliber covers the head office, 14 branches and Qingxu Jinshang Village and Township Bank.

Note2: According to *How to Prepare an ESG Report Appendix III: Reporting Guidance on Social KPIs* (《如何編備環境、社會及管治報告 附錄三：社會關鍵績效指標匯報指引》) issued by The Stock Exchange of Hong Kong Ltd., the training coverage of various types of employees = the number of employees trained by the category/the total number of employees trained.

Employee turnover

Indicator		Unit	2025	2024	2023
Employee turnover rate		%	2.06	1.87	2.33
By gender	Male	%	2.20	1.49	0.86
	Female	%	1.95	2.19	1.47
By age	50 and above	%	1.34	0.00	0.05
	40 to 49	%	1.85	1.36	0.11
	30 to 39	%	1.60	1.71	1.33
	29 and below	%	4.43	3.79	0.84
By region	Employees of the head office	%	1.69	0.64	0.23
	Employees of branch offices within Taiyuan	%	1.40	1.58	0.93
	Employees of branch offices outside Taiyuan	%	2.92	2.74	1.17

Work-related injuries and fatalities¹

Indicator	Unit	2025	2024	2023
Labor contract coverage rate	%	100	100	100
Social security coverage rate	%	100	100	100
Number of work-related fatalities	person	0	0	0
Lost days due to work injury	day	495	137	24

Note: The above statistics in 2025 and 2024 are based on Jinshang Bank and its subsidiaries, including the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township Bank; for 2023, the statistical caliber covers the head office, 14 branches and Qingxu Jinshang Village and Township bank.

Customer service

Indicator	Unit	2025	2024	2023
The number of outlets	number	152	153	153
Substitution rate of e-banking transactions	%	88.29	87.36	88.90
Number of mobile banking transactions	10,000 transactions	1,654.46	1,396.74	1,082.13
Number of internet banking transactions during the reporting period	10,000 transactions	270.52	299.07	374.98
Customer complaint resolution rate	%	100	100	100

Supplier

Indicator	Unit	2025	2024	2023
New suppliers	number	106	106	163
New suppliers within Shanxi Province	number	30	35	54
New suppliers outside Shanxi Province	number	76	71	109

Social contribution

Indicator	Unit	2025	2024	2023
Balance of agricultural-related loan	RMB100 million	434.99	379.77	368.34
Balance of MSEs loan	RMB100 million	685.08	660.46	521.18
Balance of inclusive MSEs loan	RMB100 million	134.73	115.54	98.32
Balance of green loan ¹	RMB100 million	152.17	112.08	95.43
Charitable donations and other donations	RMB10 thousand	75.15	16.64	18.27
Volunteer service hours	hour	1,500	1,440	1,360

Note 1: The statistical criteria for green loans were revised in 2025. The green loan identification criteria now follow the *2025 Green Finance Endorsed Project Catalogue* (《綠色金融支持項目目錄(2025年版)》) issued by the People's Bank of China, the National Administration of Financial Regulation (NAFR) and the China Securities Regulatory Commission (CSRC). For 2024 and 2023, the green loan identification criteria were based on the *Guiding Catalogue for the Green Industry (2019 Edition)* (《綠色產業指導目錄(2019年版)》) issued by the National Development and Reform Commission and six other departments.

Environmental performance¹

Indicator	Unit	2025	2024	2023
Total greenhouse gas emissions (Scope 1 and Scope 2) ²	tCO ₂ e	7,299.46	9,476.23	9,452.95
Greenhouse gas emissions per person (Scope 1 and Scope 2) ²	tCO ₂ e/ person	1.65	2.17	2.13
—Scope 1 (Direct) greenhouse gas emissions ²	tCO ₂ e	141.42	158.76	172.39
—Scope 2 (Indirect) greenhouse gas emissions ²	tCO ₂ e	7,158.04	9,317.47	9,280.56
Total energy consumption	kWh	15,288,152.99	22,189,378.86	20,971,098.27
Energy consumption per person	kWh/person	3,465.13	5,074.18	4,734.95
—Total direct energy consumption	kWh	642,858.25	731,975.97	794,697.33
—Direct energy consumption per person	kWh/person	145.71	167.39	179.43
—Total indirect energy consumption	kWh	14,645,294.75	21,457,402.89	20,176,400.94
—Indirect energy consumption per person	kWh/person	3,319.42	4,906.79	4,555.52
Natural gas consumption	m ³	43,967.90	47,187.39	51,026.43
Diesel consumption ³	L	0	622.89	153.68
Gasoline consumption ⁴	L	19,048.08	24,643.41	27,598.86
Total office electricity consumption	kWh	10,093,010.58	11,124,077.63	12,214,009.61
Total office water consumption	m ³	76,545.61	99,436.26	102,322.66
Water consumption per person	m ³	18.27	22.74	23.10
Nitrogen oxides emissions	t	0.06	0.07	0.10
Sulfur dioxide emissions	t	0.0005	0.0007	0.0009
Carbon monoxide emissions	t	0.84	1.00	1.32
Particulate matter emissions	t	0.004	0.004	0.004
Total hazardous wastes ⁵	pc.	474	1,242	1,290
Total non-hazardous electronic wastes ⁶	pc.	769	1,601	1,636
Total non-hazardous wastes ⁷	t	1,735.47	1,733.70	1,776.54
Paper consumption	Pack	28,039	26,992	24,507
Hazardous wastes per person	pc./person	0.11	0.28	0.29
Non-hazardous electronic wastes per person	pc./person	0.17	0.37	0.37
Non-hazardous wastes per person	t/person	0.39	0.40	0.40
Office wastes	t	1,617.85	1,603.55	1,633.48
Kitchen wastes	L	193,549.58	236,671.50	281,547.80
Office consumable wastes	t	3.80	4.44	6.81

Note 1: The statistics of environmental performance cover the Jinshang Bank and its subsidiaries, including the head office, 14 branches and their sub-outlets, and the Qingxu Jinshang Village and Township Bank.

Note 2: The methodology for greenhouse gas emissions accounting is detailed in the section "Addressing Climate Change – Metrics and Targets" of this report.

Note 3: In 2025, the Bank did not use any diesel backup generators and therefore consumed no diesel.

Note 4: Gasoline consumption is primarily attributed to official vehicle usage. Over the past three years, the Bank has strengthened the management of its official vehicle fleet, resulting in a year-on-year decrease in gasoline consumption.

Note 5: The hazardous wastes generated by the Bank's operations primarily includes used lead-acid batteries and waste fluorescent tubes, all of which are disposed of by licensed professional waste management companies. In 2025, only a small volume of equipment components and consumables was centrally decommissioned, resulting in a low total amount of hazardous waste.

Note 6: Non-hazardous electronic waste generated during the Bank's operations mainly includes laptops, monitors, servers, and similar equipment. In 2025, only a small volume of related equipment was centrally decommissioned, resulting in a low total amount of non-hazardous electronic waste.

Note 7: The non-hazardous waste generated by the Bank's operations includes office paper consumption, municipal solid waste, food waste, and non-hazardous office supplies waste, all of which are properly disposed of by third-party providers in full compliance with applicable regulations.

Independence Assurance Report



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Independent Practitioner's Limited Assurance Report

KPMG Huazhen Tong Zi No. 2600315

To the Board of Directors of Jinshang Bank Co., Ltd.:

Report on selected information in Jinshang Bank Co., Ltd. (hereafter referred to as the "Jinshang Bank")'s 2025 Environmental, Social and Governance ("ESG") Report (hereafter referred to as the "ESG Report") as of and for the year ended 31 December 2025. This English version is a translation, should there be inconsistency between the English edition and the Simplified Chinese edition, the Simplified Chinese edition shall prevail.

Conclusion

We have performed a limited assurance engagement on the following sustainability information in Jinshang Bank's ESG Report as of and for the year ended 31 December 2025 (hereafter referred to as "the assured sustainability information"):

The assured sustainability information	Point in time or period subject to assurance
Total office electricity consumption (kWh) ¹	For the year ended 31 December 2025
Total office water consumption (m ³) ¹	For the year ended 31 December 2025
Total gasoline consumption (liter) ¹	For the year ended 31 December 2025
Total employees (person)	As of 31 December 2025
Percentage of female employees (%)	As of 31 December 2025
Total training investment (RMB10 thousand)	For the year ended 31 December 2025
The number of outlets (number)	As of 31 December 2025
Number of internet banking transactions during the Reporting period (10,000 transactions)	For the year ended 31 December 2025
Resolution rate of customer complaints (%)	For the year ended 31 December 2025
Number of anti-money laundering trainings (times)	For the year ended 31 December 2025
Balance of green loans (RMB100 million)	As of 31 December 2025

Note 1: The assurance scopes for corresponding sustainability information for the year ended 31 December 2025 are solely at the head office level of Jinshang Bank.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that Jinshang Bank's assured sustainability information



as of and for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with criteria set out in the appendix to this report.

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

Basis for conclusion

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

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

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

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

Restriction on use

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

Responsibilities for the assured sustainability information

The directors of Jinshang Bank are responsible for:

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



Those charged with governance are responsible for the oversight of the reporting process for Jinshang Bank’s assured sustainability information.

Inherent limitations

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

Our responsibilities

We are responsible for:

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



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

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

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

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



KPMG Huazhen LLP

Beijing, China

28 April 2026

Appendix: Criteria

The following standards are prepared in accordance with the requirements of Appendix C2 Environmental, Social and Governance (ESG) Reporting Code to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Total office electricity consumption (kWh): The total office electricity consumption disclosed in the ESG Report refers to the total electricity consumption of Jinshang Bank from January 1, 2025 to December 31, 2025, and the data includes the head office of Jinshang Bank, 14 branches and the subordinate institutions.

Total office water consumption (m³): The total office water consumption disclosed in the ESG Report refers to the total water consumption of Jinshang Bank from January 1, 2025 to December 31, 2025, and the data includes the head office of Jinshang Bank, 14 branches and the subordinate institutions.

Total gasoline consumption (liter): The total gasoline consumption disclosed in the ESG Report refers to the total gasoline consumption of Jinshang Bank from January 1, 2025 to December 31, 2025, and the data includes the head office of Jinshang Bank, 14 branches and the subordinate institutions.

Total employees (person): The total number of employees disclosed in the ESG Report refers to the total number of official employees who have signed labor contracts with Jinshang Bank, as well as labor dispatch workers as of December 31, 2025, and the data includes the head office of Jinshang Bank, 14 branches and the subordinate institutions.

Percentage of female employees (%): The percentage of female employees disclosed in the ESG Report = the number of female employees / the number of employees, who have signed labor contracts with Jinshang Bank, as well as labor dispatch workers as of December 31, 2025, and the data includes the head office of Jinshang Bank, 14 branches and the subordinate institutions.

Total training investment (RMB 10 thousand): The total training investment disclosed in ESG Report refers to all expenses related to the training project of Jinshang Bank from January 1, 2025 to December 31, 2025, including training fees, rent for online training platforms, purchase of course fees, lecture fees for offline external teachers, meals, accommodation, transportation fees for trainees to participate in the training.

Total number of outlets(number): The total number of branches disclosed in the ESG Report refers to all outlets of Jinshang Bank that have obtained financial licenses, including those that have already obtained licenses but have not yet started operating as of December 31, 2025.

Number of internet banking transactions during the report period (10,000 transactions): The number of internet banking transactions during the reporting period disclosed in the ESG Report refers to the successful transactions of Jinshang Bank on personal and corporate internet bank at the Personal Computer from January 1, 2025 to December 31, 2025.

Resolution rate of customer complaints (%): The resolution rate of customer complaints disclosed in the ESG Report refers to the ratio of complaints handled by Jinshang Bank to the total number of complaints from January 1, 2025 to December 31, 2025. The total number of complaints mentioned above includes all complaint channels, including complaints transferred by the Shanxi Regulatory Bureau of National Financial Regulatory Administration, The People's Bank of China and government hotline, as well as complaints received within the Bank.

Number of anti-money laundering trainings (times): The number of anti-money laundering trainings disclosed in the ESG Report refers to the number of anti-money laundering themed trainings conducted by Jinshang Bank to all levels of employees of the bank from January 1, 2025 to December 31, 2025.

Balance of green loans (RMB 100 million): The balance of green loan disclosed in ESG Report refers to the balance on the green loan balance sheet of Jinshang Bank as of December 31, 2025. The green loans issued by Jinshang Bank refer to loans issued to the enterprises or other organizations or individuals that can serve as borrowers according to national regulations, in order to support economic activities such as environmental improvement, climate change response, and resource conservation and efficient utilization. These loans are used to invest in areas such as energy conservation and environmental protection, clean production, clean energy, ecological environment, infrastructure green upgrading, and green services. Please refer to the "Green Finance Support Projects Catalogue (2025 Edition)" for specific scope.

HKEX ESG Reporting Code Index

Aspect, general disclosure and KPIs	Description	Disclosure chapter
A. Environment		
Aspect A1: Emissions		
General Disclosure	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Implementation of Green Operations
KPIA1.1	The types of emissions and respective emissions data	Appendixes ESG Performance Table
KPIA1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (calculated as per unit produced or facility)	Appendixes ESG Performance Table
KPIA1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (calculated as per unit produced or facility)	Appendixes ESG Performance Table
KPIA1.5	Description of emissions target(s) set and steps taken to achieve them	Implementation of Green Operations
KPIA1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Implementation of Green Operations; Appendixes ESG Performance Table
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Implementation of Green Operations
KPIA2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity (calculated as per unit produced or facility)	Appendixes ESG Performance Table
KPIA2.2	Water consumption in total and intensity (calculated as per unit produced or facility)	Appendixes ESG Performance Table
KPIA2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Implementation of Green Operations
KPIA2.4	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	Implementation of Green Operations
KPIA2.5	Total packaging material (in tonnes) used for finished products and, where appropriate, with reference to per unit produced	As the Bank is in the financial industry, its main products and services do not involve packaging materials, so this content is not disclosed;
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources	Addressing Climate Change; Developing Green Finance; Implementation of Green Operations
KPIA3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Addressing Climate Change; Developing Green Finance; Implementation of Green Operations

Aspect, general disclosure and KPIs	Description	Disclosure chapter
B. Society		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on the policies; and 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	Protecting Employee Rights and Interests; Employee Care; Empowering Employee Development
KPIB1.1	Total workforce by gender, employment type (full-time or part-time), age group and geographical region	Appendixes ESG Performance Table
KPIB1.2	Employee turnover rate by gender, age group and geographical region	Appendixes ESG Performance Table
Aspect B2: Health and Safety		
General Disclosure	Information on the policies; and 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	Protecting Employee Health
KPIB2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Appendixes ESG Performance Table
KPIB2.2	Lost days due to work injury	Protecting Employee Health; Appendixes ESG Performance Table
KPIB2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Protecting Employee Health
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training Activities	Empowering Employee Development
KPIB3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Jinshang Bank utilizes Ping An Zhiniao Platform for conducting online training programs, and the platform lacks statistical features to categorize data by gender and employee demographics. The Bank plans to disclose detailed information in the future
KPIB3.2	The average training hours completed per employee by gender and employee category	Jinshang Bank utilizes Ping An Zhiniao Platform for conducting online training programs, and the platform lacks statistical features to categorize data by gender and employee demographics. The Bank plans to disclose detailed information in the future
Aspect B4: Labour Standards		
General Disclosure	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Promoting Compliant and Equal Employment
KPIB4.1	Description of measures to review employment practices to avoid child and forced labour	Promoting Compliant and Equal Employment
KPIB4.2	Description of steps taken to eliminate such practices when discovered	Promoting Compliant and Equal Employment

Aspect, general disclosure and KPIs	Description	Disclosure chapter
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	Implementing Commitment to Compliance
KPIB5.1	Number of suppliers by geographical region	Appendixes ESG Performance Table
KPIB5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Implementing Commitment to Compliance
KPIB5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Implementing Commitment to Compliance
KPIB5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Implementing Commitment to Compliance
Aspect B6: Product Responsibility		
General Disclosure	Information on the policies; and 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	Protecting Customer Rights; Enhancing Service Experience; Reinforcing Information Security
KPIB6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Bank is in the financial industry and this indicator is not applicable
KPIB6.2	Number of products and service-related complaints received and how they are dealt with	Protecting Customer Rights; Enhancing Service Experience
KPIB6.3	Description of practices relating to observing and protecting intellectual property rights	Implementing Commitment to Compliance
KPIB6.4	Description of quality assurance process and recall procedures	The Bank is in the financial industry and this indicator is not applicable.
KPIB6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Protecting Customer Rights; Reinforcing Information Security
Aspect B7: Anti-corruption		
General Disclosure	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Implementing Commitment to Compliance
KPIB7.1	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	Implementing Commitment to Compliance
KPIB7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Implementing Commitment to Compliance
KPIB7.3	Description of anti-corruption training provided to directors and staff	Implementing Commitment to Compliance
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	Promoting Rural Revitalization; Engaging in Public Welfare Activities

Aspect, general disclosure and KPIs	Description	Disclosure chapter
KPIB8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Promoting Rural Revitalization; Engaging in Public Welfare Activities
KPIB8.2	Resources contributed (e.g. money or time) to the focus area	Promoting Rural Revitalization; Engaging in Public Welfare Activities; Appendixes ESG Performance Table
D. Climate-related Disclosures		
(I) Governance		Addressing Climate Change
(II) Strategy		Addressing Climate Change
Climate-related risks and opportunities		Addressing Climate Change
Business model and value chain		Addressing Climate Change
Strategy and decision-making		Addressing Climate Change
Financial position, financial performance and cash flows		Addressing Climate Change
Climate resilience		Addressing Climate Change
(III) Risk Management		Addressing Climate Change
(IV) Metrics and Targets		Addressing Climate Change; Developing Green Finance; Appendixes ESG Performance Table
Greenhouse gas emissions		Addressing Climate Change; Appendixes ESG Performance Table; Scope 3 Greenhouse Gas Emissions Application of Reasonable Assurance Exemption
Climate-related transition risks		Reasonable Information Relief
Climate-related physical risks		Reasonable Information Relief
Climate-related opportunities		Developing Green Finance
Capital deployment		Developing Green Finance
Internal carbon prices		/
Remuneration		Addressing Climate Change
Industry-based metrics		Developing Green Finance
Climate-related targets		Addressing Climate Change

Reader Feedback

Thank you for reading the 2025 Environmental, Social and Governance Report of Jinshang Bank Co., Ltd. For the purpose of improving our ESG management, we hope that you can share with us your valuable comments and suggestions by completing the feedback form and sending it to us via any of the following ways.

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Address: No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province

Post code: 030000

Tel: (86)0351-7812583

1. Which kind of stakeholder are you:

Government Regulator Shareholders and investors Customer Employee

Vendor Partner Community Others

2. Your general evaluation on this report:

Poor Average Good Excellent

3. Your evaluation on Jinshang Bank in performing responsibilities for economic development:

Poor Average Good Excellent

4. Your evaluation on Jinshang Bank in performing responsibilities for the environment:

Poor Average Good Excellent

5. Your evaluation on Jinshang Bank in performing responsibilities for social progress:

Poor Average Good Excellent

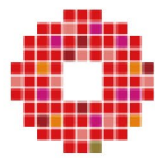
6. Do you think the information disclosed in this report is complete:

No Average Yes

7. Do you think this report is clearly stated and easy to understand:

No Average Yes

8. Do you have any other comments or suggestions on the improvement and development of Jinshang Bank for performing social responsibilities and on this report:



晋商银行
Jinshang Bank