UN environment programme | finance initiative

Principles for Responsible Banking

Responsible Banking Progress Statement for PRB Signatories

Summary template

[China Minsheng Bank] 2025

Principle 1: Alignment

Content

Briefly describe your bank's sustainability strategy and which international, regional, or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.

Reply:

Focusing on sustainable development and value creation, China Minsheng Bank (the Bank) consolidated its basic customers, basic products, basic services, and basic management. Adhering to a customer-centric philosophy, the Bank focused on key customer segments, including strategic non-state-owned enterprises (NSOEs), micro, small, and medium-sized NSOEs, sci-tech innovation enterprises, customers involved in rural revitalization and special groups, and further advanced the integrated management system covering micro, small and medium enterprises (MSMEs), large enterprises, and individual customers, achieving high-quality customer acquisition and highly efficient operation. The Bank continued to optimize its asset and liability structure and business layout, focused on national strategic priorities, and increased support for key areas such as the "five major sectors" of finance and the manufacturing industry. The Bank firmly upheld the bottom line of risk and compliance, integrated ESG risks and climate risks into its comprehensive risk management system, and maintained stable asset quality.

In accordance with the overall arrangements of the Five-Year Development Plan of China Minsheng Bank (2021–2025), the Bank actively promoted the integration of ESG concepts into operations and management and constantly improved ESG governance while earnestly performing environmental responsibilities and creating social value. **In terms of environmental responsibility**, focusing

Principle 2: Impact & Target Setting

Content

Briefly describe the bank's most significant impact areas and the steps taken to identify, measure, and manage them—including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan and progress made. Explain how the bank addressed interlinkages between impact areas where possible.

Example Progress Indicators

- % of bank's portfolio covered by the impact analysis and each set target
- Updated values of KPIs defined by the bank to measure progress against targets

Reply:

The Bank attached great importance to sustainable development and made it a key criterion for prioritizing investments in the portfolio. During the reporting period, through on-site interviews, online questionnaires, and other methods, ESG issues were assessed for their materiality and priority to the Bank from the **two dimensions of financial materiality and impact materiality**. **Firstly, impact materiality** refers to whether the Bank's performance concerning a relevant issue has a significant impact on the economy, society, and environment, especially paying particular attention to material environmental impacts and determining the scope of its financial support from economic, environmental, and social perspectives. **The main process of impact materiality assessment** involves determining the impact materiality metrics, conducting surveys of stakeholders, setting impact materiality thresholds, and formulating assessment conclusions. The

Principle 3: Clients & Customers

Content

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.

Example Progress Indicators

- % of clients and/or customers engaged in key sectors in areas of significant impact.
- USD sustainable finance volume mobilized and/or as a percentage of the global or sector portfolio

Reply:

Products and Services: Firstly, in terms of green finance, the Bank continued to refine the green finance product and service system of "Minsheng Carbon Peak and Carbon Neutrality", focused on segmented scenarios and industries to drive continuous innovation and integration, to build a comprehensive financial service system that covers all customer segments and diversified business scenarios. The Bank strengthened innovation in carbon finance and transition finance and supported the comprehensive green transition of high-carbon-emitting industries and the rapid development of emerging green industries. **Secondly, in terms of inclusive finance**, the Bank strengthened the promotion and application of products such as "Minsheng Benefits" and "E-Easy Innovation Loan" to meet the online and unsecured financing needs of MSEs and dedicated, refined, distinctive and innovative (DRDI) enterprises. The Bank continuously enhanced the distinctive product system of the "Minsheng E-Chain" and deepened collaboration with over 4,000 core

on its core strategy of improving green finance, the Bank adhered to green development and made full use of financial leverage role to help achieve the goal of "carbon peak and carbon neutrality". **In terms of social responsibility**, the Bank strengthened product innovation and emphasized consumer rights protection and constantly improved customer experience. **In terms of governance**, the Bank continued to advance the integration of the Party's leadership and corporate governance, and actively explored pathways for high-quality corporate governance practices, so as to achieve more scientific and effective corporate governance.

The Bank actively responded to climate change and promoted the green transition. The Bank actively implemented the requirements of the Opinions of the CPC Central Committee and the State Council on Accelerating Green Transition in All Areas of Economic and Social Development and other policies, effectively implemented the philosophy of green development in all aspects of business management to ensure the implementation of the strategy. The Bank fully implemented the national strategy of carbon peak and carbon neutrality, adhered to guiding documents such as the National Climate Change Adaptation Strategy 2035 and Responding to Climate Change: China's Policies and Actions, and integrated the tackling of climate change into the core framework of its overall development strategy. The Bank focused on the micro and small enterprises (MSEs) and advanced inclusive finance, following the political and people-centered nature of financial work, steadfastly upheld the founding mission and original aspiration to serve NSOEs and MSEs. Driven by innovation and supported by technology, the Bank remained resolute in its role, as always, as a partner of NSOEs, a leader in small business finance, and a pioneer in community finance. The Bank continuously enhanced the accessibility, convenience, and precision of its inclusive financial services. In accordance with the Construction Plan for Accessibility Services in Mobile Financial Application Software issued by the People's Bank of China and the related standards, the Bank continued to strengthen the construction of elderly-friendly and barrier-free service facilities at its outlets. The Bank developed mobile banking Apps for different groups and took advantage of community grid-based services to optimize financial and non-financial products and services for special groups.

stakeholders surveyed include government and regulators, investors and shareholders, customers, employees, community and NGOs, and suppliers. **Secondly, financial materiality** refers to whether an issue is expected to have a significant impact on the Bank's business model, operations, development strategy, financial position, operating results, cash flow, financing methods, costs, etc. in the short-, medium-, and long-term. **The main process of financial materiality assessment** involves determining the financial materiality metrics, conducting stakeholder surveys, setting thresholds for determining financial materiality, and formulating assessment conclusions. The stakeholders surveyed include internal departments of the Bank and external professional institutions.

During the reporting period, the Bank's targets, action plans, and progress against indicators in its key impact areas were as follows:

Supporting NSOEs: The balance of loans extended to NSOEs across the Bank exceeded RMB1.6 trillion. The coverage rate of businesses for the top 500 NSOEs reached 81%.

Developing Green Finance: The amount of the energy-saving and emission reduction of green loans of the Bank was 16.4549 million tonnes. of CO2 equivalent.

Responding to Climate Change: The Bank initiated and advanced a bank-wide pilot carbon accounting program for its investment and financing businesses. Using 2024 as the accounting year, in terms of financing business related to the 8 carbon intensive industries, the annual daily average balance of non-project financing loans of carbon data-ready enterprises amounted to RMB21.754 billion, the carbon emission amounted to 6,531,500 tonnes of CO2 equivalent (tCO2e), and the emission intensity was 3.00 tCO2e/RMB10,000. All calculations in this pilot accounting applied the reporting method, achieving a data quality rating (DQR) of 1—classified as "excellent".

Improving Inclusive Finance: The balance of inclusive small business loans of the Bank was RMB677.606 billion, up by RMB14.888 billion, or 2.25%, from the end of the previous year.

Supporting Rural Revitalization: The total amount of consumption-based assistance by the Bank to the areas lifted out of poverty across the country reached RMB51.21 million. The Bank provided RMB37.9 million free assistance grants.The Bank carried out training sessions to 18,700 people from key groups relating to rural revitalization

Facilitating Accessibility of Financial Services: the

enterprises. Focusing on sectors such as new energy, advanced manufacturing, and mechanical equipment, the Bank promoted the application of products such as "E-Credit Finance", "E-Procurement", and "E-Order" for MSEs.

Internal Policies: The Bank has integrated the ESG risk factors into existing credit management process. The Bank has formulated relevant internal documents, including the Administrative Measures on ESG Risk Management for Corporate Clients of China Minsheng Bank, the Checklist for ESG Risk Due Diligence and Compliance Review of China Minsheng Bank, the Notice on the Trial Operation of ESG Rating Models and Processes in the Corporate Credit Risk Management System, the Notice on Launching Certain ESG Risk and Green Finance Management Functions in the Corporate Credit Risk Management System, the Administrative Measures on Project Evaluation of China Minsheng Bank, and the Operational Manual for ESG Rating and Risk Management Functions in the Corporate Credit Risk Management System of China Minsheng Bank. Among these documents, the Administrative Measures on ESG Risk Management for Corporate Clients of China Minsheng Bank served as the top-level management policy for the ESG risk management system for the investment and financing activities of the Bank, including corporate credit business, financial markets business, financial institutions business, and investment banking business of the Group. It guided and standardized ESG risk management across the Group and provided institutional support for the Bank to effectively identify clients' ESG risks.

Action Plan: The Bank implemented the national green development and energy security strategies in a coordinated manner, held on to the principle of "classified management with appropriate controls", and adopted differentiated credit policies. The Bank implemented the requirements on the orderly transition of industries with high carbon emissions. The Bank reinforced monitoring for industries with high carbon emissions, improved its risk prediction capability, and established the risk exposure and responding mechanism in a forward-looking manner. The Bank gradually reduced and withdrew from inefficient and outdated enterprises and production capacity in industries with "high pollution, high energy consumption, and excess capacity", and moderately increased support for areas such as energy conservation and carbon reduction, industrial upgrading, and safety and efficiency through "whitelist", so as to steadily promote the green transition of credit structure and the "dual optimization" of customers and assets.

	Bank had 150 branches inside and outside the Chinese mainland and 2,389 business outlets. The Bank has established 1,132 community outlets nationwide and equipped 2,215 business outlets with barrier-free access.	The Bank independently developed an ESG risk rating model tool, comprising 25 ESG rating models across five categories including high-carbon industries, group customers, the trade in service sector, MSE customers and large corporate clients, covering corporate clients and MSEs. Of which, the models for customers with high carbon emission are further assessed through ten sub models for thermal power, steel, cement, plate glass, non-ferrous metals, aviation, petrochemicals, coal chemical, chemicals, and paper manufacturing. The ESG rating models adopt a indicator system, consisting of qualitative metrics, quantitative parameters, and adjustment and constraint terms, encompassing 16 tier-3 indicators and 198 tier-4 indicators.
Links & references [References to where additional information can be found in external reporting. Include links and page numbers] https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/ P22 https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html P8, P9, P88 https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html P29, P35, P78	**Links & references** [References to where additional information can be found in external reporting. Include links and page numbers] https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/ P67, P68, https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html P14, P19, P20, P35, P36, P37, P46, P47, P53, P59, P65, P77, P83, P88, P89 https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html P31, P32, P58, P59, P82	**Links & references** [References to where additional information can be found in external reporting. Include links and page numbers] https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html P19, P20, P48, P49, P50, P52 https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html P37, P38

Principle 4:
Stakeholders

Content

Briefly describe how the bank consults, engages, and collaborates/partners with relevant stakeholders for the purpose of implementing the Principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partnerships that contribute to addressing significant impacts. Note any changes in the reporting year.

Reply:

Based on a systematic review of national policy directions and regulatory requirements, as well as a comprehensive consideration of its internal strategy implementation outcomes, actual business operations, and external environment dynamics, the Bank clarified the core stakeholder groups closely linked to the Bank's development, including government and regulators, investors and shareholders, customers, employees, community and NGOs, and suppliers.

The Bank placed high importance on sustainable development. During the reporting period, the Bank conducted comprehensive and in-depth due diligence on sustainability-related impacts, risks, and opportunities concerning environmental protection and social responsibility. This was achieved through various methods, including regular self-assessments, internal feedback mechanisms, and communication with external stakeholders. Proactive responses were formulated based on the findings of these investigations.

The Bank actively communicated with the stakeholders to understand and respond to their needs by establishing a long-term communication mechanism, and took the material ESG concerns as the direction of actions and the reference for disclosures in the reports. The Bank has set up different communication channels based on its own business characteristics and the characteristics of stakeholders to understand their main ESG concerns.

Principle 5:
Governance & Culture

Content

Briefly describe the key governance structures in place (Board and Executive level) and related accountability mechanisms to implement the Principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning & development). Note any changes or progress in the reporting period.

Example Progress Indicators

- Details of remuneration practices linked to sustainability targets.
- % of employees trained on responsible banking topics.

Reply:

Governance Structures: The Bank has established a top-down, well-structured ESG governance framework that comprehensively covers the Board of Directors, special committees under the Board, and the management team. By continuously optimizing the ESG governance framework, the Bank has advanced various ESG management initiatives in an orderly manner, driving the achievement of high-quality and sustainable development of the whole Bank.

The Board of Directors of the Bank paid high attention to ESG efforts, elevated ESG issues to an important position in corporate governance, and ensured that ESG issues were integrated into all aspects of corporate governance from all levels of decision-making, supervision, and implementation. The Senior Management of the Bank actively implemented the strategic deployments of the Board. It is responsible for establishing bank-wide ESG-related objectives and key initiatives, and for coordinating and promoting effective execution.

Corporate Culture: Firstly, in terms of capacity building and training, the training programs of the Bank were aligned with its strategic transformation, business expansion, and talent cultivation requirements. Adhering to the principle of integrating organizational development, talent

Principle 6:
Transparency & Accountability

Content

Provide reference to additional relevant reports, if not listed as references with P1–P5. Briefly note whether/where assurance of sustainability information has been undertaken (optional).

Reply:

This Statement draws on the Bank's 2025 Annual Report, the 2025 Sustainability (ESG) Report and the 2025 Corporate Social Responsibility Report. Details of any external assurance or assessment, including the provider, scope and level of assurance, are set out in the relevant reports.

	development, and learning-based growth, the Bank proactively advanced innovation in training philosophy and models, and product development, comprehensively advanced the upgrading of learning maps, developed general capability courses for all employees and business lines, striving to enhance the overall quality and effectiveness of the Bank's education and training initiatives. Secondly, in terms of remuneration allocation, the Bank has established a sound total remuneration allocation mechanism, and the total annual remuneration of employees of the Bank is determined after comprehensively considering the total number and structure of employees, development of young employees, risk control, operating results, and other factors. Thirdly, in terms of performance evaluation, the Bank continued to enhance system development and technology empowerment, and planned and established an employee value system, so as to provide tool support for full-process performance management and promote simultaneous enhancement of organizational and individual capabilities. Fourthly, in terms of leadership communication, the Bank continued to optimize the age and professional structures of the senior management team. The selection criteria emphasized the primary orientation of mission commitment and strategic execution. Fifthly, in terms of working modes, the Bank has continuously deepened the application of the iMinsheng collaborative office platform, actively promoted digital, online, and paperless office operations, and achieved an in-depth integration of green office practices and digital innovation.	
Links & references [References to where additional information can be found in external reporting. Include links and page numbers] https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html P13, P16, P17	**Links & references** [References to where additional information can be found in external reporting. Include links and page numbers] https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html P12, P55, P56, P130, P126, P131, https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html P73, P85	**Links & references** [References to where additional information can be found in external reporting. Include links and page numbers] https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/ https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html

Supplements templates

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing, e.g., the distribution of your bank's portfolio (%) in terms of geographies, business areas, or by disclosing the number of customers and clients served.

Links & references

https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/
P17, P32, P33, P69
https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P64, P65, P66, P67, P77, P78, P79, P80, P81, P82, P83
https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html
P82, P83

Response

During the reporting period, focusing on sustainable development and value creation, the Bank consolidated its basic customers, basic products, basic services, and basic management. Adhering to a customer-centric approach, the Bank focused on key customer segments, including strategic NSOEs, micro, small, and medium-sized NSOEs, sci-tech innovation enterprises, customers involved in rural revitalization and special groups, and further advanced the integrated management system covering MSMEs, large enterprises, and individual customers, achieving high-quality customer acquisition and highly efficient operation. The Bank continued to optimize its asset and liability structure and business layout, focused on national strategic priorities, and increased support for key areas such as the "five major sectors" of finance and the manufacturing industry. The Bank firmly upheld the bottom line of risk and compliance, integrated ESG risks and climate risks into its comprehensive risk management system, and maintained stable asset quality. The Group strengthened the refined management of human resources, capital, expenses, and technology, and advanced digital and intelligent transformation to enhance organizational effectiveness. Guided by the concept of "One Minsheng", the Group strengthened group integration and coordination. The Bank's various strategic initiatives have been advanced, business development has tended to be steady and positive, the characteristics of key businesses have been gradually formed, and operational resilience has been enhanced.

I. Customers Groups Served

As the first national joint-stock commercial bank initiated and founded by NSOEs, the Bank remained committed to implementing national policies and regulatory requirements, focused on the strategic positioning of becoming "a bank for NSOEs, an agile and open bank, and a bank with considerate services", and effectively fulfilled various regulatory requirements for the development of the real economy. The Bank adhered to the customer-centric approach, focused on segmented customer groups including NSOEs, sci-tech innovation enterprises, customers involved in rural revitalization and special groups, carried out financial and non-financial services in a layered and classified manner, and improved the integrated and comprehensive service system for MSMEs, large enterprises, and individual customers, in a bid to facilitate the healthy and sustainable development of NSOEs.

NSOEs: The Bank has established a "1+3+N" layered service system for NSOE customers. "1" means that the Bank focuses on the "1" core strategic NSOE, expanded the pool of high-quality strategic NSOE customers, increased the coverage of services to high-quality leading NSOEs, raised the proportion of strategic NSOE customers, and developed distinctive service models and differentiated competitive advantages in emerging industries and high-growth NSOEs. As at the end of the reporting period, the Bank served 81% of the top 500 NSOEs in China. "3" refers to the Bank's continued refinement of its products and services in three key areas: "supply chain", "sci-tech innovation", and "foreign trade". The Bank optimized online operational processes, actively empowering upstream and downstream micro, small, and medium NSOEs in the industrial chains of core enterprises. The Bank enhanced the digital and intelligent marketing tool of the "Spark Platform" for sci-tech enterprise customers, strengthened the supporting resources, and improved the quality and efficiency of financial services for private sci-tech enterprises with multiple measures. The Bank has developed cross-border service platforms, connected service channels within and outside the Chinese mainland, and focused on building an online, facilitated, and smart cross-border payment and settlement service system centering on the financial service needs of foreign trade enterprises. The Bank strengthened N capacities, explored more businesses with regionally specific NSOEs by using the "SME Credit Plan" and the "Honeycomb Plan for MSMEs" as key drivers, enhanced risk support capabilities in serving small and medium-sized NSOEs, and forged capabilities to provide warm, high-quality, distinctive, and comprehensive services for NSOEs.

Inclusive Finance: The Bank incorporated financial services into the daily scenarios of enterprises. The Bank has

built new models of small business finance around platform construction, product innovation, process optimization, model upgrading, and team building. The Bank focused on expansion along "group chains" and "supply chains" to increase the coverage and penetration of group member customers and customers in the chains. The task force developed marketing models, such as namelist screening and distribution, layered and classified customer development, synergy between the Head Office and the branches, and cross-institution coordination, to enable the in-depth development of MSE customers and individual small business customers. As at the end of the period, the "two chains" collectively brought in an increase of RMB10.07 billion in inclusive loans, 3,701 new customers with loan balances, and 4,163 new accounts opened. The Bank focused on the difficulties of MSMEs, and promoted the digital transformation of small business finance as well.

Rural Revitalization: The Bank continued to promote inclusive finance security knowledge and exclusive services and products for farmers, so as to make financial services more accessible to them. In the face of damage to harvests caused by climate disasters, the Bank took the initiative to provide relief to the affected agricultural loan customers through loan renewal without principal repayment, interest reduction or exemption, and delivery of small business red envelopes. As at the end of period, the total amount of consumption-based assistance to the areas lifted out of poverty nationwide reached RMB51.21 million, contributing to the economic development and the improvement of life quality of local residents.

II. Product and Service

NSOEs: The Bank has developed a differentiated range of products and services to meet the needs of different types of NSOEs. For core enterprises in supply chains and their upstream and downstream partners, the Bank constantly optimized online operational processes, such as model-based approval, automated disbursement, and batch post-loan management. The Bank jointly organized a series of supply chain finance merchant conferences themed "Supply Chain-Based Development" with core enterprises in industrial chains, and actively empowered upstream and downstream micro, small, and medium NSOEs in the industrial chains of core enterprises. The Bank innovated, iterated, and vigorously promoted the supply chain "de-cored" data-based credit enhancement products, and optimized its supply chain finance service model. In serving sci-tech NSOEs, the Bank comprehensively upgraded its "1+18+N" organizational architecture system. It focused on key regions, relying on 18 key branches and 80 sci-tech featured sub-branches/dedicated sub-branches, launched financial services such as "Kunpeng Loan", alongside non-financial services including industry research and strategic consulting based on the actual needs of sci-tech innovation enterprises at different development stages, and enhanced full lifecycle, all-scenario, and comprehensive support and services. In serving foreign trade NSOEs, the Bank enhanced the facilitation level of current account collections and payments, improved cross-border investment and financing facilitation policies, and optimized featured services for foreign exchange business of cross-border finance. Relying on the product of "All Across the World", the Bank improved the one-stop cross-border integrated service experience of foreign trade NSOEs through "Product + Service + Benefits". As at the end of the reporting period, the balance of loans extended to NSOEs across the Bank exceeded RMB1.6 trillion.

Inclusive Finance: The Bank focused on strengthening the development of regionally-specific scenarios and the batch development of distinctive client groups, launched the "SME Credit Plan" and the "Honeycomb Plan", which provided customized financing solutions. Leveraging the advantages of planning guidance, parallel risk management, and name list-based marketing under the "SME Credit Plan", the Bank focused on 300 small and medium industrial clusters designated by the Ministry of Industry and Information Technology, which covered key national industries such as automotive and pharmaceuticals, regionally-specific industries, and industrial parks. Concurrently, the Bank advanced the construction of SME-featured sub-branches to deepen comprehensive customer services through a "gradual breakthrough" model. The "Honeycomb Plan" provided precise services to the small business customer group with clear scenarios and unified profiles, and covered the top 100 national agricultural wholesale markets, comprehensive commodity markets, as well as key areas such as education, healthcare, and agriculture, rural areas and farmers. The plan integrated online and offline channels, strengthened model innovation and cross-regional replication capabilities. Relying on this model, the Bank launched the product of "National Subsidy-Based Loan", which granted credit lines of unsecured loans based on the data of orders with national subsidy, with an amount up to RMB10 million and a longest term of two years, to help boost consumption. The Bank actively supported the digital and intelligent transformation of MSMEs and has developed the Inclusive Digital and Intelligent Butler System, launched the digital and intelligent enterprise butler platform of "E-Minsheng Family". The platform focused on core corporate operational scenarios of "personnel, finance, and business operations", and offered the digital transformation solution covering eight modules, including personnel-related salary, and taxation, expense control and reimbursement, and supply chain collaboration. This solution is dedicated to providing enterprises with full-lifecycle, digital, and closed-loop services. As at the end of the reporting period, the balance of inclusive small business loans of the Bank amounted to RMB677.606 billion, up by RMB14.888 billion, or 2.25%, from the end of the previous year. The E-Minsheng Family served 50 thousand customers.

Rural Revitalization: The Bank actively promoted the integrated coordination between inclusive finance and rural revitalization, vigorously innovated the digital and smart agriculture service model, and launched the multi-model online product of "Digital Agricultural Loan Express" to support food security. The Bank broadened the scope of regionally featured services, developed scenario-based service solutions, enhanced its capabilities in serving farming households, and optimized their service experience according to the differentiated needs of farming households across different regions, industries, and types of operation. The Bank launched the "B&B Loan", an exclusive product for emerging rural tourism, to help farmers to start their own business and get rich based on geographical advantages. As of the end of the reporting period, the balance of loans to 832 state-level counties lifted out of poverty nationwide amounted to RMB62.472 billion.

Financial Products and Services for Special Groups: The Bank focused on the financial service needs of groups including new citizens, people with disabilities, foreigners in China, and elderly consumers. The Bank actively advanced the intelligent transformation of business outlets, optimized service channel development, continuously strengthened

foundational service capabilities, enhanced operational efficiency, and consistently improved customer satisfaction and recognition. The Bank launched online medical consultation services for new citizens, enhanced the accessibility of its outlets and strengthened the development of online service channels for people with disabilities, enhanced the convenience of account opening and optimized the payment experience for foreigners, and expanded special products and non-financial services for elderly customers, which included savings deposits, wealth management products, commercial pension insurance, publicly offered funds.

III. Major Geographical Regions

In line with the principle of "adapting to local conditions, highlighting key priorities, and strengthening risk control", the Bank actively responded to national regional development strategies, closely monitored the development of regional industrial clusters, formulated regionally differentiated credit policies, provided targeted support for the development of distinctive industries in various regions, leveraged comparative advantages of different regions, and effectively optimized regional layout and enhanced market competitiveness of the Bank.

As at the end of the reporting period, total loans of the Bank to the Yangtze River Delta, the Pearl River Delta, and the Western Region ranked top three, being RMB1,202,961 million, RMB705,417 million, and RMB687,012 million, respectively, accounting for 27.15%, 15.92%, and 15.51% of total loans, respectively. In terms of increase in loans, total loans to the Yangtze River Delta increased by RMB47,183 million as compared with the end of the previous year.

The Bank's investment portfolio by region is as follows (%):

Region	% of Total
Head Office	10.01
Yangtze River Delta	27.15
Pearl River Delta	15.92
Bohai Rim	15.08
Northeastern Region	2.22
Central Region	11.18
Western Region	15.51
Institutions outside the Chinese mainland and subsidiaries	2.93
Total	100.00

Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF).

the United Nations Guiding Principles on Business and Human Rights (UNGPs), the forthcoming instrument on plastic pollution, etc.

Include any other national and/or regional frameworks that your bank has a strategy to align with, where relevant.

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P8, P9, P88
https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html
P29, P35, P78

Response

Committed to establishing a high-level ESG management system, the Bank constantly improved its ESG governance structure, strengthened the implementation of ESG philosophies, and innovated ESG practices to fully integrate ESG into corporate governance and operation management, so as to continuously improve the level of ESG management.

The Bank has signed the Principles for Responsible Banking (PRB), with an aim to further fulfil its social responsibility for sustainable development, promote the transformation and upgrading of operation management and high-quality development, and enhance the corporate value and brand image through actively meeting international standards for sustainable development.

I. Adjusting Management Strategy

In accordance with the overall arrangements of the Five-Year Development Plan of China Minsheng Bank (2021–2025), the Bank actively promoted the integration of ESG concepts into operations and management and constantly improved ESG governance while earnestly performing environmental responsibilities and creating social value.

In terms of environmental responsibility, focusing on the core strategy of improving green finance, the Bank adhered to green development and made full use of the financial leverage role to help achieve the goal of "carbon peak and carbon neutrality". Focusing on energy saving and emission reduction, clean energy, carbon emissions trading, low-carbon technologies and green living, the Bank has built green financial ecosystems, upgraded the system of green financial products, and continued to increase strategic investment. The Bank advocated green office, practised green operation and promoted suppliers to implement environmental and social responsibilities through green procurement. Meanwhile, the Bank preventedenvironmental risks by restricting credit placement to high-polluting and high energy-consuming industries, and expediting exit from enterprises with out-dated productivity.

In terms of social responsibility, the Bank strengthened product innovation, increased the application of digital products, and optimized service quality while emphasizing consumer rights protection, constantly improving customer experience and serving customers attentively. The Bank attached great importance to talent development and the

protection of employees' legitimate rights and interests. Staying employee development oriented, the Bank selected and employed talents in an accurate and scientific manner, strengthened the training and incentives for young talents, and provided them with broader spaces for learning and development, with an aim to help them realize their personal value. Moreover, the Bank actively undertook social responsibilities, practiced inclusive finance, supported rural revitalization, continued to invest in public welfare undertakings, continuously strengthened communication with communities to support their development, and thus created social value.

In terms of governance, the Bank continued to advance the integration of the Party's leadership and corporate governance, and actively explored pathways for high-quality corporate governance practices, so as to achieve more scientific and effective corporate governance. The Bank continued to improve its comprehensive risk management system, strengthened internal control and compliance management, effectively promoted the anti-corruption and anti-money laundering ("AML") compliance system, and constantly improved the mechanism of information disclosure, and promoted the establishment of a sound communication mechanism with the stakeholders.

II. Compliance with Regional Frameworks

Promoting Green Transition: The Bank actively implemented the requirements of the Opinions of the CPC Central Committee and the State Council on Accelerating Green Transition in All Areas of Economic and Social Development and other policies, effectively implementing the philosophy of green development in all aspects of business management to ensure the implementation of the strategy. The Bank issued the Administrative Measures of China Minsheng Bank on Green Finance (2025 Revision), the Work Plan of China Minsheng Bank for Carbon Peak and Carbon Neutrality (Trial), and the Development Plan of China Minsheng Bank for Transition Finance (2025–2027), which clarified, among others, the Bank's development targets for green loans, the objectives and roadmap for carbon peak and carbon neutrality, as well as the requirements for the development of transition finance.

Tackling Climate Change: The Bank fully implemented the national strategy of carbon peak and carbon neutrality, adhered to guiding documents such as the National Climate Change Adaptation Strategy 2035 and Responding to Climate Change: China's Policies and Actions, and integrated the tackling of climate change into the core framework of its overall development strategy. The Bank continuously refined the climate governance mechanism to identify and manage systemic financial risks arising from climate change, actively seized strategic opportunities brought by the low-carbon transition, and leveraged financial strength to empower the comprehensive and sustainable development of the economy and the society.

Intensifying Development of Inclusive Finance: Following the political and people-centered nature of financial work, the Bank steadfastly upheld the founding mission and original aspiration to serve NSOEs and MSEs. Driven by innovation and supported by technology, the Bank remained resolute in its role, as always, as a partner of NSOEs, a leader in small business finance, and a pioneer in community finance. The Bank continuously enhanced the accessibility, convenience, and precision of its inclusive financial services.

Facilitating Special Groups to Access Financial Services: To effectively address the financial service challenges faced by special groups such as the unbanked, underbanked, or underserved, in accordance with the Construction Plan for Accessibility Services in Mobile Financial Application Software issued by the People's Bank of China and the related standards, the Bank continued to strengthen the construction of elderly-friendly and barrier-free service facilities at its outlets. The Bank developed mobile banking apps for different groups and took advantage of community grid-based services to optimize financial and non-financial products and services for special groups.

Principle 2:
Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and the environment resulting from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

Impact Analysis

Show how your bank has identified, prioritized, and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include an assessment of the relevance of the four priorities laid out in Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector, as part of its initial or ongoing impact analysis.

Links & references

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Response

I. Analysis of Major Factors Affecting the Bank's Investment Portfolio

The Bank attached great importance to sustainable development and made it a key criterion for prioritizing investments in the portfolio. During the reporting period, through on-site interviews, online questionnaires, and other methods, ESG issues were assessed for their materiality and priority to the Bank from **the two dimensions of financial materiality and impact materiality**. **Firstly, impact materiality** refers to whether the Bank's activities and performance on a given issue have significant impacts on the economy, society and environment. In its assessment, the Bank paid particular attention to material environmental impacts and determined the scope of its financial support from economic, environmental and social perspectives. **The main process of impact materiality assessment** involves determining the impact materiality metrics, conducting surveys of stakeholders, setting impact materiality thresholds, and formulating assessment conclusions. The stakeholders surveyed include government and regulators, investors and shareholders, customers, employees, community and NGOs, and suppliers. **Secondly, financial materiality** refers to whether an issue is expected to have a significant impact on the Bank's business model, operations, development strategy, financial position, operating results, cash flow, financing methods, costs, etc., in the short-, medium-, and long-term. **The main process of financial materiality assessment** involves determining the financial materiality metrics, conducting stakeholder surveys, setting thresholds for determining financial materiality, and formulating assessment conclusions. The stakeholders surveyed include internal departments of the Bank and external professional institutions.

Table: Analysis of Impact of ESG Issues

Issue	Analysis of Impact		
	Impact Type	Impact Description	Impact Scope
Customer service	Positive	Uphold the mission of "serving the public, caring about people's livelihood" and build a "bank with considerate services" by enhancing service quality and efficiency through the values of "customer first".	The Bank's operations the downstream of value chains
NSOEs and MSEs	Positive	Adhere to the positioning of "a bank for NSOEs", focus on the major sector of "inclusive finance", and empower the private economy.	The Bank's operations the downstream of value chains
Inclusive finance	Positive	Respond to national policies of rural revitalization and inclusive finance policies, extend service focus to lower levels, and improve financial service accessibility.	The Bank's operations the downstream of value chains
Green development opportunities	Positive	Support the major sector of "green finance", innovate green bonds, green credit, and carbon trading products to support customers' low-carbon transition.	The Bank's operations the downstream of value chains
Information security	Positive /Negative	Support the major sector of "digital finance", advance the construction of an "agile and open bank", and guard against data security management and customer privacy protection.	The Bank's operations the downstream of value chains
Business ethics	Positive /Negative	Uphold the values of "steady progress for long-term development", strengthen internal control and compliance management, and build a clean and honest compliance culture.	The Bank's operations downstream of value chains

The Bank identified climate-related impacts across three dimensions: economic, environmental, and social.

Dimension	Climate-Related Impacts	Monitoring, Prevention, Management, Control, and Mitigation Measures and Actions
Economic	Through financial instruments of green credit and green bonds, the Bank channeled capital towards low-carbon sectors, supported clean energy, energy efficiency, and environmental protection industries, managed potential financial risks arising from the transition of industries with high carbon emissions, and promoted green economic transition.	The Bank formulated the Five-Year Development Plan for Green Finance to clarify strategic goals and implementation pathways. The Bank continued to conduct climate risk sensitivity and stress testing to assess potential impacts on asset quality under different scenarios. The Bank also integrated climate risks into the comprehensive risk management system and integrated relevant factors into the full process management of credit business.
Environment	Through financial resource allocation, the Bank supported clean energy and other green projects, indirectly contributing to significant carbon emission reductions and response to climate change. In addition, the Bank is committed to energy conservation and emissions reduction in operations to achieve sustainable development.	The Bank actively expanded green finance, with green loan balances continuing to grow. The green finance product system of "Minsheng Carbon Peak and Carbon Neutrality" (including "Photovoltaic Loan" and "Minsheng E-Carbon Loan") was developed to prioritize support for green projects. The Bank also reduced resource consumption and carbon emissions in operations through energy-saving upgrading of technology and management, green operations, and green office initiatives.
Social	The Bank ensured business continuity and the stable availability of financial services during extreme weather and other climate-related risk events, safeguarding financial consumer rights. The Bank integrated response to climate changes with inclusive finance and rural revitalization, supported farmers and MSEs in building resilience to climate risks and fostered community development.	The Bank strengthened business continuity management and maintained contingency plans to enhance operational resilience. In inclusive finance and rural revitalization, the Bank has launched featured products such as "Agricultural Loan Express" and "Emission Reduction Loan" to direct financial resources toward climate-resilient economic activities.

II. Policy Background

(I) NSOEs

The Bank actively implemented the guiding principles of the 20th CPC National Congress, the Central Economic Work Conference, and the Central Financial Work Conference, implemented the requirements of the Notice on Strengthening Financial Supporting Initiatives to Facilitate the Development of the Non-State-Owned Economy issued by the People's Bank of China and seven other departments, and continued to advance the implementation of the Implementation Rules for Supporting the Development of the Non-State-Owned Economy of China Minsheng Bank. Giving full play to the distinctive advantages in serving NSOEs, the Bank provided strong support for the growth of NSOEs and comprehensively contributed to the high-quality development of the non-state-owned economy

(II) Green Finance

Developing Green Finance: Focusing on the main theme of "cutting carbon emissions, reducing pollution, expanding green development, and pursuing growth", the Bank implemented the national policy requirements for green finance, climate investment and financing, carbon emission reduction, equipment upgrading and transformation, and placement of mid- to long-term loans to the manufacturing industry. The Bank promoted the development of green finance and the layout of investment and financing, and increased credit placement in the field of green finance, in a bid to effectively serve the real economy, seize green development opportunities, and promote the high-quality and sustainable development of the Bank.

Responding to Climate Change: The Bank fully implemented the national strategy of "carbon peak and carbon neutrality" and actively responded to the development opportunities and risk impacts and challenges brought by the environment and climate changes. According to the latest situation at home and abroad and the national policy orientation, the Bank analyzed the impact and potential risks brought by environmental and climate changes in an in-depth manner, improved environmental and climate risk management and control measures, formulated industry credit policies, and actively seized business opportunities to promote green and sustainable development.

Ecosystem and Biodiversity Conservation: The Bank strictly complied with national ecological and environmental laws, regulations and supervisory requirements, and ensured that no outlets were established or business activities were conducted in the areas covered by ecological conservation red lines.

(III) Inclusive Finance, Rural Revitalization and Special Groups

Improving Inclusive Finance: The Bank firmly practised the deployment of inclusive finance as one of the "five major sectors" proposed at the Central Financial Work Conference. In accordance with the Five-Year Development Plan for Inclusive Finance of China Minsheng Bank (2021–2025), the Bank improved the systems and mechanisms of inclusive finance to broaden and deepen inclusive finance services. The Bank promoted the innovation of products and services, and opened up online and offline channels to enhance the service capacity of inclusive finance.

Supporting Rural Revitalization: The Bank resolutely implemented the national policy on targeted assistance and rural revitalization. By learning from and applying the experience of the "Green Rural Revival Program", the Bank continuously consolidated and expanded the achievements in poverty alleviation. Focusing on innovation in financial products, the Bank channeled financial resources to provide targeted support for the development of rural areas, striving

to build a beautiful and harmonious countryside with thriving businesses and pleasant living environments.

Facilitating Special Groups to Access Financial Services: To effectively address the financial service challenges faced by special groups such as the unbanked, underbanked, or underserved, in accordance with the Construction Plan for Accessibility Services in Mobile Financial Application Software issued by the People's Bank of China and the related standards, the Bank continued to strengthen the construction of elderly-friendly and barrier-free service facilities at its outlets. The Bank developed mobile banking apps for different groups and took advantage of community grid-based services to optimize financial and non-financial products and services for special groups.

III. Composition of the Investment Portfolio

During the period, corporate investment portfolio of the Bank are as follows:

Item	Balance (RMB million)	Proportion (%)
Corporate loans and advances	2,751,726	100.00
Of which: leasing and commercial services	599,990	21.80
Manufacturing	500,033	18.17
Real estate	325,443	11.83
Wholesale and retail	291,287	10.59
Transportation, storage and postal services	202,730	7.37
Water, environment and public utilities management	174,004	6.32
Production and supply of electric power, heat, gas, and water	151,199	5.49
Financial services	138,243	5.02
Construction	103,877	3.77
Mining	72,224	2.62
Information transmission, software and information technology services	57,706	2.10
Scientific research and technical services	47,350	1.72
Agriculture, forestry, animal husbandry and fishery	26,871	0.98
Others	60,769	2.21

During the Period, individual investment portfolio of the Bank are as follows:

Item	Balance (RMB million)	Proportion (%)
Personal loans and advances	1,678,884	100.00
Of which: Loans to MSEs	587,672	35.00
Residential mortgage	573,393	34.15
Credit card	432,460	25.76
Others	85,359	5.08

The Bank fully implemented the strategies and initiatives relating to the national objectives for carbon peak and carbon neutrality. While effectively managing risks such as overcapacity in certain sectors, the Bank focused on five key areas, namely, development of territorial space, industrial structure, energy transition, green transportation, urban and rural development, and seven green industries. The Bank strengthened ESG risk management and continued to increase green credit allocation

During the Period, major green loans portfolio of the Bank are as follows:

Item	Balance (RMB million)	Proportion (%)
Balance of green loans	358,227	100
Of which:green upgrade of infrastructure	186,531	52.07
green and low-carbon transition of energy	64,260	17.94
energy conservation and carbon reduction industry	27,813	7.76
ecological protection, restoration and utilization industry	27,132	7.57
resource recycling industry	17,771	4.96

environmental protection industry	17,660	4.93

IV. Performance Measurement

Supporting NSOEs. As at the end of the reporting period, the balance of loans to NSOEs across the Bank exceeded RMB1.6 trillion. The coverage rate of businesses for the top 500 NSOEs reached 81%.

Developing Green Finance: The amount of the energy-saving and emission reduction of green loans of the the Bank was 16.4549 million tonnes of CO2 equivalent.

Responding to Climate Change: The Bank initiated and advanced a bank-wide pilot carbon accounting program for its investment and financing businesses. Using 2024 as the accounting year, in terms of financing business related to the eight carbon-intensive industries, the annual daily average balance of non-project financing loans of data-ready enterprises amounted to RMB21.754 billion, the carbon emission amounted to 6,531,500 tonnes of CO2 equivalent (tCO2e), and the emission intensity was 3.00 tCO2e/RMB10,000. All calculations in this pilot accounting applied the reporting method, achieving a data quality rating (DQR) of 1—classified as "excellent".

Improving Inclusive Finance: As at the end of the reporting period, the balance of inclusive small business loans of the Bank was RMB677.606 billion, up by RMB14.888 billion, or 2.25%, from the end of the previous year.

Supporting Rural Revitalization: the total amount of consumption-based assistance by the Bank to the areas lifted out of poverty across the country reached RMB51.21 million. The Bank provided RMB37.9 million in free assistance funds. The Bank carried out training sessions for 18,700 people in key groups relating to rural revitalization

Facilitating Special Groups to Access Financial Services: As at the end of the reporting period, the Bank had 150 branches inside and outside the Chinese mainland and 2,389 business outlets. The Bank has established 1,132 community outlets nationwide and equipped 2,215 business outlets with barrier-free access.

Targets, Target Implementation, and Action Plans/Transition Plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/Transition plans, and Milestones.

Links & references

https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/
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Response

I. Target Implementation and Key Performance

The Bank has established clear sustainability strategies and targets for key issues, including customer service, NSOEs and MSEs, inclusive finance, and opportunities in green development. The Bank regularly evaluated progress against these targets and dynamically refined the strategic direction in response to evolving internal and external conditions and developmental conditions of the Bank.

Issue	Target	Progress in 2025
NSOEs and MSEs	Further develop its distinctive strengths in serving NSOEs, strive to become the preferred bank of NSOEs and the host bank of SMEs, consolidate and enhance its advantages across different regions, business lines and customer groups, and continue to build differentiated competitiveness.	The balance of loans extended to NSOEs across the Bank exceeded RMB1.6 trillion. The coverage rate of businesses for the top 500 NSOEs reached 81%.
Inclusive finance, rural revitalization, special groups	The Bank continuously improves the systems and mechanisms of inclusive finance to broaden and deepen inclusive finance services, promotes the innovation of products and services, and integrates online and offline channels to enhance the service capacity of inclusive finance.	The balance of inclusive small business loans of the Bank reached RMB677.606 billion, up by RMB14.888 billion, or 2.25%, from the end of the previous year, and higher than the average growth rate of all loans. Of which, the balance of inclusive legal person loans amounted to RMB190,414 million, representing an increase of RMB41,708 million, or 28.05%, as compared with the end of the previous year. The NPL ratio of inclusive small business loans was 1.52%, representing an increase of 0.06 percentage points as compared with the end of the previous year. As at the end of the reporting period, total inclusive small business loans disbursed by the Bank amounted to RMB691,789 million with an average interest rate of 3.50%, down by 77BP from the previous year.
Green development opportunities	The Bank seizes development opportunities in areas including clean energy, green transport, green buildings, and energy-saving and environmental	The balance of green loans reached RMB358.2 billion, up by 20% from the beginning of the year, higher than the growth rate of all loans; the balance of green bonds of the Group stood at RMB69.814

	protection to realize rapid development of green loans, gradually increase the proportion of the balance of green loans, and promote a growth rate of green loans higher than the average growth rate of all loans.	billion. The Bank issued RMB10 billion green finance bonds with proceeds used in a timely manner. The Bank also provided extensive services to members of the national carbon market with positive market feedback.

II. Action Plans

(I) Serving NSOEs and MSEs

Firstly, the Bank precisely addressed customer needs and has established a comprehensive service system. The Bank introduced distinctive financial products for SMEs, including "Order Loan " and "Payroll Loan", and optimized the resource allocation of the SME Credit Plan. As at the end of the reporting period, the number of SME customers with loan balances reached 13,271, up by 23.01%.

Secondly, the Bank, focusing on the operational pain points faced by MSMEs, developed a full-scenario comprehensive service system covering settlement, financing, digital management tools, and business and life cycle synergy. The Bank leveraged the advantages of "E-Minsheng Family" to support the digital transformation of MSMEs by providing full-process digital management tools, including personnel management, payroll and tax agency services, employee benefits, financial bookkeeping, invoice management, and expense control and reimbursement. It also developed customized service solutions for industries such as chain pharmacies, retail supermarkets, and express logistics. As at the end of the reporting period, the number of corporate clients with daily average deposits exceeding RMB500 thousand reached 77.0 thousand, up by 18.50%, with customer recognition continuing to improve.

Thirdly, the Bank focused on segmented scenarios and provided targeted financial support to the real economy.The Bank insisted on an integrated service layout covering MSMEs, large enterprises, and individual customers. Focusing on "chain-based customer number increment and coverage expansion", and relying on the layout of "group chains" and "supply chains", the Bank achieved extended development, promoted "Minsheng E-Chain" products such as "E-Procurement" and "E-Sales on Credit", and expanded the coverage of services for group members and supply chain customers. As at the end of the reporting period, the balance of inclusive loans in supply chains amounted to RMB51,800 million, up by RMB18,800 million from the end of the previous year. The Bank advanced the implementation of the "Honeycomb Plan" and provided customized services for regionally characteristic industries and segmented scenario-based customer groups through the approach of "One Industry, One Solution". As at the end of the reporting period, 322 projects were filed for record under the Honeycomb Plan, with a balance of loans of RMB9,583 million. The Bank focused on key areas such as "DRDI" enterprises and foreign trade enterprises, upgraded the "Easy Innovation" series service solutions, and provided convenient and efficient cross-border financial services such as "Cross-Border E-Finance" and "Shipping Remittance Express" to support enterprises in expanding overseas markets.

(II) Inclusive Finance and Rural Revitalization

Firstly, actively promoting the integrated coordination between inclusive finance and rural revitalization. The Bank vigorously innovated the digital and smart agriculture service model, and launched the multi-model online product of "Digital Agricultural Loan Express" to support food security. The Bank broadened the scope of regionally featured services, developed scenario-based service solutions, enhanced its capabilities in serving farming households, and optimized their service experience according to the differentiated needs of farming households across different regions, industries, and types of operation. The Bank launched the "B&B Loan", an exclusive product for emerging rural tourism, to help farmers to start their own business and get rich based on geographical advantages. In the face of damage to harvests caused by climate disasters, the Bank took the initiative to provide lief to the affected agricultural loan customers through loan renewal without principal repayment, interest reduction or exemption, and delivery of small business red envelopes. Focusing on the needs of the leading enterprises in the sectors of grain, dairy, meat, cotton and liquor, and based on the "Agricultural Chain Express" series business, the Bank has created exclusive business models and product portfolios covering various scenarios in the agricultural industry chains. In response to the pain points such as irregular financial management and difficult fund supervision in rural areas, the Bank developed a management solution for rural resources, assets and funds, achieving deep integration and adaptation of financial services with rural financial scenarios.

Secondly, facilitating special groups to access financial services. Targeting newly registered MSMEs without bank accounts in key scenarios such as the Bank's internal namelist-based system, supply chains, and high-quality industrial parks, the Bank offered a full-process green channel service to ensure timely and closed-loop services. To address the insufficient financial protection and inadequate service coverage for new citizens, the Bank continued to strengthen cooperation with insurance companies on agency sales to provide cost-effective elderly care insurance products. During the year, the Bank cooperated with JD Health to provide more than 500 thousand free online medical consultations. To meet the needs of customers with disabilities such as visual or hearing impairments, all apps of the Bank support a barrier-free voice reading function. At the same time, the Bank launched remote expert services for customers with hearing difficulties, providing professional support for customers with hearing difficulties through the remote expert platform. The Bank optimized the facilities of its offline outlets and adjusted the counter height to be more accessible for wheelchair users, providing a more friendly and considerate customer experience. To address the issue that foreign visitors to China do not have domestic bank accounts and have insufficient financial services coverage, the Bank launched facilitated financial services for foreigners in China. Mobile phone numbers outside the Chinese mainland can be used to open bank accounts. Online verification services are available for Permanent Residence Permit, Exit-Entry Permit for Travelling to and from Hong Kong and Macao, the Mainland Travel Permit for Taiwan Residents, and the Residence Permit for Hong Kong, Macao, and Taiwan residents. The Permanent Resident ID Card can be used to open personal pension accounts and make online foreign exchange transactions within the facilitation quota. Foreigners in China can make appointments to apply for bank cards on the mobile banking App with valid ID documents. All ATMs, with a Chinese-English bilingual interface, support cash withdrawals with cards issued outside the Chinese mainland labeled UnionPay, VISA and MasterCard.

Thirdly, the Bank further expanding the coverage of financial service channels through community finance and improving offline service networks. During the reporting period, the Bank has established 1,132 community outlets nationwide. The Bank continued to strengthen the construction of elderly-friendly and barrier-free service facilities at its

outlets and took advantage of community grid-based services to optimize financial and non-financial products and services for special groups by upgrading the elderly-friendly version of mobile banking and promoting door-to-door services.

(III) Developing Green Finance

The Bank firmly implemented the strategic deployment of green finance, improved its green finance operation and management system, strengthened the building of professional service capabilities related to green finance, and improved the service quality and effectiveness of green finance.

Firstly, improving top-level design. The Bank strictly implemented the arrangement for the conclusion of the Five-Year Development Plan for Green Finance of China Minsheng Bank (2021-2025), released the Administrative Measures on Green Finance of China Minsheng Bank (Revised in 2025), the Work Plan for Carbon Peak and Carbon Neutrality of China Minsheng Bank (Trial), and the Development Plan for Transition Finance of China Minsheng Bank (2025-2027), clarifying the carbon peak and carbon neutrality goals and the requirements for the development of transition finance. The Bank made clear the annual development goals and implementation strategies for green credit in the Guiding Opinions on Green Finance Credit. It formulated and released the Administrative Measures on Environmental, Social, and Governance Risk of Legal Person Customers, comprehensively integrating ESG risk management requirements into such links as customer due diligence, compliance review, credit approval, contract management, fund appropriation, and post-lending management, and proactively conducting risk management and control. The Bank has built an ESG rating system for legal person customers on a scientific basis, independently researched and developed a complete set of ESG rating model tools, and completed system embedding and promotion and application within the whole bank. During the reporting period, the Bank completed the ESG rating of nearly 10,000 customers and integrated ESG rating results into the full-process management and application of investment and financing. The Bank launched and advanced carbon accounting projects for investment and financing businesses of the whole bank, and finished the carbon accounting pilot projects of some credit assets in eight major high-emission industries, including power generation, steel, building materials, non-ferrous metals, petrochemicals, chemicals, papermaking, and aviation.

Secondly, deploying green finance products. The Bank focused on key areas such as green and low-carbon development, circular economy, and biodiversity protection, and promoted comprehensive services for the entire industry chain. During the reporting period, the Bank issued RMB10 billion green financial bonds, with the proceeds allocated to support green industry projects. The Bank enriched and iterated the product and service system of "Minsheng Carbon Peak and Carbon Neutrality", enhanced innovation in segmented scenario products, and comprehensive service models. The Bank strengthened innovation in transition finance and carbon finance, launched innovative businesses such as loans linked to the carbon footprints of industrial transition and syndicated loans linked to biodiversity conservation indicators, and promoted products such as "Emission Reduction Loan" and "Minsheng E-Carbon Loan". The Bank actively served the national carbon market with settlement products such as "Market Express", focused on promoting the "Shanghai Clearing House-China Minsheng Bank Green Bond Selected Index" and its linked structured deposit products, providing investors with convenient and efficient green finance investment instruments. As at the end of the reporting period, the balance of green loans of the Bank amounted to RMB358,227 million, up by 20% from the end of the previous year, exceeding the average growth rate of all loans. The Bank has won multiple ESG-related awards attributed to its outstanding performance, including "Typical Practice Case of ESG of the Banking Industry in 2025" by China Financial Media and "Best Practice Case of Sustainable Development of Listed Companies in 2025" by China Association for Public Companies.

Thirdly, actively responding to climate change. The Bank continued to refine its credit and investment policies, actively supported the development of a clean and low-carbon energy system, and promoted energy conservation, decarbonization, ecological enhancement, and cleaner production in key industries and areas. The Bank strengthened the identification, assessment, and management of risks associated with carbon-intensive assets. During the reporting period, the Bank engaged an accredited third-party verifier to conduct a comprehensive carbon inventory check covering the Bank and its subsidiaries. Several branches piloted environmental disclosures in advance of broader requirements: Shenzhen, Qingdao, Nanjing, and Suzhou branches have published their 2024 environmental information reports in accordance with local regulatory requirements, which disclosed calculated emissions across Scope 1, Scope 2 and Scope 3.

Principle 3:
Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy, including but not limited to the impact areas identified/targets set, awareness-raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html

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Response

I. Credit Policies for Customer Selection

(I) Integrated ESG risk factors into existing credit management processes

The Bank has formulated relevant internal documents, including the Administrative Measures on ESG Risk Management for Corporate Clients of China Minsheng Bank, the Checklist for ESG Risk Due Diligence and Compliance Review of China Minsheng Bank, the Notice on the Trial Operation of ESG Rating Models and Processes in the Corporate Credit Risk Management System, the Notice on Launching Certain ESG Risk and Green Finance Management Functions in the Corporate Credit Risk Management System, the Administrative Measures on Project Evaluation of China Minsheng Bank, and the Operational Manual for ESG Rating and Risk Management Functions in the Corporate Credit Risk Management System of China Minsheng Bank. Of which, The Administrative Measures on ESG Risk Management for Corporate Clients of China Minsheng Bank served as the top-level management policy for the ESG risk management system for the investment and financing activities of the Bank, including corporate credit business, financial markets business and investment banking business of the Group. It guided and standardized ESG risk management across the Group and provided institutional support for the Bank to effectively identify clients' ESG risks.

(II) Specific Measures

The Bank formulated credit policies for segmented industries. The Bank implemented the national green development and energy security strategies in a coordinated manner, held on to the principle of "classified management with appropriate controls", and adopted differentiated credit policies. **Firstly,** the Bank gave priority to supporting seven major industries, including energy conservation and carbon reduction, environmental protection, resource recycling, green and low-carbon energy transition, ecological conservation, restoration, and utilization, green upgrading of infrastructure, and green services. In addition, the Bank formulated credit policies covering more than 50 key industries, such as energy, transportation, agriculture, forestry, animal husbandry and fisheries, mining, oil and gas, and raw materials, as well as key areas such as clean energy, clean production, energy conservation and environmental protection, green upgrading of infrastructure, ecological environment, green services, biodiversity conservation, and rural revitalization. The Bank also specified differentiated credit granting strategies, access criteria, and key points of risk control, and formulated ESG risk assessment standards, and compliance review checklist for segmented industries. With such efforts, the Bank continued to support the green transition and upgrading of industries and facilitate the adjustment and optimization of the energy structure. **Secondly,** the Bank implemented the requirements on the orderly transition of industries with high carbon emissions. The Bank reinforced monitoring for industries with high carbon emissions, improved its risk prediction capability, and established the risk exposure and response mechanism in a forward-looking manner. The Bank gradually reduced and withdrew from inefficient and outdated enterprises and production capacity in industries with "high pollution, high energy consumption, and excess capacity", and moderately increased support for areas such as energy conservation and carbon reduction, industrial upgrading, and safety and efficiency through "whitelist", so as to steadily promote the green transition of credit structure and the "dual optimization" of customers and assets.

(III) Evaluation Indicators

The Bank independently developed an ESG risk rating model tool, comprising 25 ESG rating models across five categories, including high-carbon industries, group customers, the trade in services sector, MSE customers, and large corporate customers, covering corporate clients and MSEs. Of which, the models for customers with high carbon emissions are further assessed through ten sub-models for thermal power, steel, cement, plate glass, non-ferrous metals, aviation, petrochemicals, coal chemical, chemicals, and paper manufacturing. The ESG rating model consists of qualitative metrics, quantitative parameters, and adjustment and constraint terms, encompassing 16 tier-3 indicators and 198 tier-4 indicators. This ESG risk rating model tool has been developed and put into operation across the Bank. The rating results have been applied throughout the credit lifecycle, including pre-lending assessment, credit approval, loan disbursement and post-lending monitoring. It has provided front-line employees with a new perspective for dynamic ESG risk assessment and enhanced the full-lifecycle ESG management mechanism of "prudent pre-lending check, in-process dynamic monitoring, and comprehensive post-lending assessment". During the reporting period, the Bank successfully integrated the ESG rating model into the end-to-end new approval process for MSMEs, enabling intelligent ESG risk assessment at the pre-lending investigation stage. Following the model's launch, the Bank conducted data exploration and analysis to continuously optimize and iterate the functions of the ESG rating system.

(IV) Performance measurement

Approval officers of the Bank prudently assessed customers' ESG risks in accordance with internal and external regulations and policies. Customers with significant environmental and social risks should not be approved in principle during the approval process. As at the end of the reporting period, the Bank rejected loan applications of RMB1.588 billion

from 24 projects related to industries with "high pollution, high energy consumption, and overcapacity".

Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio, *and which SDGs or impact areas your bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

*Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P19, P20, P48, P49, P50, P52
https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html
P37, P38

Response

I. Strategic Business Opportunities and Risks

Issue	Risk and Opportunity Analysis			Financial Impact
	Risk Description	Opportunity Description	Time Range	
Customer service	Service quality fluctuations lead to customer attrition and increased customer acquisition costs	Deepen the integrated online and offline services to provide customers with differentiated and warm experiences	Short-, medium-, and long-term	Risk: increased operating costs, reduced profitability Opportunity: increased revenue, increased market share
NSOEs and MSEs	Macroeconomic volatility poses acute credit risks for NSOEs and MSEs, thus placing significant pressure on asset quality	Precisely meet the financing and service needs of NSOEs and MSEs to expand the customer base, improve asset quality, and enhance long-term market competitiveness	Short-, medium-, and long term	Risk: increased non-performing asset ratio, decreased revenue Opportunity: increased revenue
Inclusive finance	The targeted customer base for this business has weaker risk resilience, leading to high business costs and low returns and posing challenges to commercial sustainability.	Broaden the customer base and optimize its structure; establish a positive social image to effectively enhance brand value	Short-, medium-, and long term	Risk: increased non-performing asset ratio, decreased revenue Opportunity: increased revenue
Green development opportunities	If related projects fail to be completed on time or to achieve expected economic and environmental benefits, it may affect the enterprises' debt repayment capacity	Innovate and launch products such as green credit and carbon neutrality bonds,take the lead in serving core enterprises in new energy, energy conservation, and environmental protection, build a green finance ecosystem, and seize market opportunities.	Short-, medium-, and long term	Risk: increased non - performing asset ratio, decreased revenue Opportunity: increased market share, increased revenue

II.Sustainable Development Products

(I) Green Finance

1.Green Bond

The Bank underwrote 105 innovative debt financing instruments in the domestic market with a total scale of RMB28.199 billion, and 101 offshore bonds amounting to USD 1.654 billion. Of these, the Bank supported the underwriting of 120 green development bonds (19 in the interbank market and 101 offshore) with issuance sizes of RMB4.683 billion and USD1.654 billion, respectively. The proceeds were used for low-carbon, energy-saving, and other green projects. The Bank also helped 102 corporate issuers to develop in a green, low-carbon, and sustainable manner. During the reporting period, the Bank issued RMB10 billion green finance bonds, with proceeds allocated to green projects in infrastructure upgrades, energy efficiency and environmental protection, and cleaner production. As at the end of the reporting period, the Group's green bond investment balance stood at RMB69.814 billion.

2. Green Consumption

The Bank focused on green consumption scenarios and actively promoted green transition in areas such as green building mortgages, NEVs, and household consumption by enhancing service systems and innovating business models. In serving green consumption, personal green consumption loans grew rapidly. As at the end of the reporting period, the loan balance reached RMB3.067 billion, up by RMB1.497 billion from the beginning of the year, and up by 95% year-on-year.

3. Green Leasing

Minsheng Financial Leasing Co., Ltd. ("Minsheng Financial Leasing") has established a dedicated working mechanism to enhance its green finance service system. It focused on key areas, including green vessels, green vehicles, and energy efficiency and emission reduction projects, actively innovated green finance products, enhanced service capabilities, and drove the green and structural optimization of its leasing asset portfolio. As at the end of the reporting period, Minsheng Financial Leasing's green leasing asset balance reached RMB6.104 billion, with new green leasing disbursements of RMB3.892 billion added since the beginning of the year. Its green leasing products primarily covered energy conservation and carbon reduction, environmental protection, and NEV consumption.

4. Carbon Trading Product

In 2025, the Bank actively explored innovative green finance business. It advanced the implementation of innovative initiatives, including loans linked to carbon footprints of industrial transition, syndicated loans linked to biodiversity conservation indicators, offshore sustainability-linked syndicated loans, and transition finance loans. The Bank enhanced the promotion and application of innovative products such as the "Emission Reduction Loan" and the "Minsheng E-carbon Loan". These efforts encouraged enterprises to improve their sustainability performance and fostered public engagement in carbon-inclusive innovation mechanisms.

5. Green Finance Investment Instruments

The Bank consistently advanced innovation in green financial products, actively expanding its portfolio of sustainability-related financial products. The Bank focused on promoting the "Shanghai Clearing House-China Minsheng Bank Green Bond Selected Index" and its linked structured deposit products. The Green Bond Select Index rigorously screened publicly offered green bonds listed on the nationwide interbank market and the Shanghai/Shenzhen stock exchanges. In pursuit of a prudent investment strategy, it is characterized by its broad scope, representativeness and high-quality. As at the end of the reporting period, the number of index constituents reached 619, with a total market value of over RMB1.59 trillion. As at the end of the reporting period, the cumulative issuance amount of the product exceeded RMB800 million. The structured deposit products linked to the index further enriched the Bank's index-based product system, providing investors with convenient and efficient green finance investment instruments.

(II) Inclusive Finance

1.Strengthening innovation and promotion of products

The Bank strengthened the promotion and application of products such as "Minsheng Benefits" and "E-Easy Innovation Loan" to meet the online and unsecured financing needs of MSEs and DRDI enterprises. The Bank continued to carry out the "Park Visits" activity, exploring batch service models for SMEs and SME credit programs to enhance full-process service experiences and improve service quality and efficiency. The Bank strengthened innovation, application and promotion of supply chain finance products such as "E-Procurement with Data-Based Credit Enhancement" and "E-Order", empowering non-state-owned SMEs across the supply chains of core enterprises.

2.Empowering Small Business Development

The Bank continuously enhanced the distinctive product system of the "Minsheng E-Chain" and deepened collaboration with over 4,000 core enterprises. Focusing on sectors such as new energy, advanced manufacturing, and mechanical equipment, the Bank promoted the application of products such as "E-Credit Finance", "E-Procurement", and "E-Order" for MSEs. The Bank strengthened the development of regionally tailored scenarios. Using the "SME Credit Plan" and the "MSE Honeycomb Plan" as key initiatives, the Bank provided customized financing solutions to increase credit limits and approval rates. The Bank launched the "E-Export Finance", an online financing product. Leveraging the export order financing services, the Bank provided low-cost, facilitated financing support for MSEs in the sector of foreign trade and realized rapid fund arrival.

Principle 4: Stakeholders

We will proactively and responsibly consult, engage, and partner with relevant stakeholders to achieve society's goals.

Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated, or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy, following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved, and how they fed into the action planning process.

Links & references

https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/
P146, P147, P150
https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P13, P16, P17, P18, P102, P103, P104, P169
https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html
P90, P92, P94, P98, P99, P111, P112, P120, P121

Response

I. Stakeholder Identification and Engagement

Based on a systematic review of national policy directions and regulatory requirements, as well as a comprehensive consideration of its internal strategy implementation outcomes, actual business operations, and external environment dynamics, the Bank clarified the core stakeholder groups closely linked to the Bank's development, including government and regulators, investors and shareholders, customers, employees, community and NGOs, and suppliers.

The Bank placed high importance on sustainable development. During the reporting period, the Bank conducted comprehensive and in-depth due diligence on sustainability-related impacts, risks, and opportunities concerning environmental protection and social responsibility. This was achieved through various methods, including regular self-assessments, internal feedback mechanisms, and communication with external stakeholders. Proactive responses were given based on the findings of these investigations.

The Bank actively communicated with the stakeholders to understand and respond to their needs by establishing a long-term communication mechanism, and took the material ESG concerns as the direction of actions and the reference for disclosures in the reports. The Bank has set up different communication channels based on its own business characteristics and the characteristics of stakeholders to understand their main ESG concerns. The table below sets out the major stakeholders, their main ESG concerns and the relevant communication channels.

Table: Major Stakeholders' Main ESG Concerns and the Relevant Communication Channels

Major Stakeholder	Main ESG Concerns	Main Communication and Feedback Channels
Government and Regulators	Green development opportunities, climate change and the "Carbon Peak and Carbon Neutrality" goals, green operation and energy saving and emission reduction, rural revitalization, NSOEs and MSEs, inclusive Finance, information security, people-oriented development and public welfare and charity, ecosystem protection and biodiversity conservation, technology ethics, stakeholder engagement	Policy consultations, work reports, information disclosures, routine inspections, regulatory meetings, carbon verification
Investors/ shareholders	NSOEs and MSEs, inclusive finance, customer service, and business ethics, stakeholder engagement	Shareholders' meetings, information disclosures, regular announcements, investor hotline
Customers	Green development opportunities, climate change and the "Carbon Peak and Carbon Neutrality" goals, information security, people-oriented development and business ethics, stakeholder engagement	Customer satisfaction survey, 95568 hotline, complaint in lobby, complaint by letter, and visits
Employees	NSOEs and MSEs, customer service, information security, people-oriented development and business ethics, stakeholder engagement	Employee representatives congress, employee activities, employee happiness index survey
Community and NGOs	Green development opportunities, climate change and the "Carbon Peak and Carbon Neutrality" goals, green operation and energy saving and emission reduction, rural revitalization, inclusive finance, customer service, information security, people-oriented development, public welfare and charity,	Volunteer activities, community education, environmental protection actions

	business ethics and ESG management of suppliers, ecosystem protection and biodiversity conservation, stakeholder engagement	
Suppliers	Rural revitalization, NSOEs and MSEs, customer service, information security, business ethics, ESG management of suppliers, and stakeholder engagement	Open bidding process, supplier reviews, supplier hotline

II. Main Topics of Communication with Stakeholders

(I) Government and Regulators

On 29 March 2025, the Bank disclosed the 2025 Valuation Enhancement Plan and Action Plan for "Quality Improvement and Efficiency Enhancement for Greater Returns" of China Minsheng Banking Corp., Ltd. Focusing on the key priorities set out in the Action Plan, the Bank refined measures to integrate ESG principles into its operations, strengthened the management of ESG and climate risks, improved corporate governance and information disclosure, and enhanced its long-term investment value. The Bank's ESG practices were recognized by government authorities, industry organizations, and mainstream media. The Bank has obtained the AAA rating, the highest in the MSCI ESG Ratings, for two consecutive years from 2024 to 2025. It was also recognized for the "Best Practice Case of Board of Directors" and the "Best Practice Case of Sustainable Development" by the China Association for Public Companies, and was included in the China Enterprise ESG100 Index jointly issued by haiwainet.cn, the All-China Environment Federation and the China Quality Certification Center in 2025. The Bank was awarded the title of "Leader" under the Standards for Financial Enterprises for six consecutive years from 2020 to 2025 by authorities including the State Administration for Market Regulation and the People's Bank of China. It also received the "Responsible Whale Bull Award · ESG Pioneer Enterprise" jointly in 2025, which was issued by the China Enterprise Reform and Development Society and the Responsibility Cloud Research Institute. The Bank's corporate social responsibility reports have been rated "Five-Star (Excellent)" by the Expert Committee for China Corporate Social Responsibility Report Rating for many consecutive years.

(II) Investors/Shareholders

The Bank placed great importance on safeguarding shareholder rights and interests. The Bank formulated the Working System for Investor Relations Management, continuously optimized communication channels, and promptly responded to the requests and concerns of small and medium investors. Earnings briefings were conducted via video conferences and teleconferences, and the transcripts of Q&A sessions were promptly released for easy access by small and medium investors. The Bank launched the intelligent SMS reminder service for shareholders' meetings to ensure that small and medium investors can participate and vote in a timely manner. Additionally, the Bank launched the bilingual (Chinese and English) investor relation website that supports the viewing and downloading of visual financial data, as well as the search of announcements and circulars. The website features an "Investor Q&A" section that centrally addresses questions from small and medium investors, facilitating their participation in investor relation activities and the lawful exercise of their shareholder rights, thereby sharing the fruits of corporate development with shareholders. The Bank organized and participated in over 160 investor relations events and hosted more than 900 investor visits in 2025. It also received the "Best IR Impact" Award for Greater China by IR Magazine, an internationally renowned magazine in investor relation, and the "IR Dedicated Company" Award by the Hong Kong Investor Relations Association (HKIRA).

(III) Customers

The Bank has formulated policies such as the Administrative Measures on Handling Consumers' Complaints of China Minsheng Bank and the Rules for the Implementation of Consumer Complaint Handling of China Minsheng Bank, established the coordinated handling mechanism of handle complaints and improved the efficiency of complaint handling. Through building a complaint management system with constant improvement of its functions, the Bank has realized online management of the whole process of complaint handling. Meanwhile, the Bank enhanced statistical analysis, monitoring, and early warning of complaints through digital technologies to further improve the quality and efficiency of complaint management. The Bank carried out regular complaint monitoring and notification, continued to improve assessment indicators, and strengthened the classified management of complaints and the escalated handling of repeated complaints, with a specific focus on refining the processing rules and procedures for high-frequency complaints, critical complaints, and repeated complaints. Furthermore, the Bank took multiple measures to handle complaints more efficiently and in a more standardized manner, including launching a complaint management system on mobile devices, optimizing automatic timeout alert rules, and adding an automatic task reminder function. The Bank carried out special service training, established an end-to-end lobby return visit mechanism and optimized the account business service process and system functions to improve customer experience. In 2025, the rate of complaint on outlet staff services decreased by 35% year-on-year.

(IV) Employees

The Bank continuously refined its internal employee management systems to effectively safeguard the legitimate rights and interests of all employees. The Bank provided employees with clear and equal career development paths, consolidated talent pipeline development, stimulated the innovative vitality of employees, and empowered employees with professional growth and value realization. The Bank has always put employee benefits and well-being first, attentively listened to their actual needs, and effectively addressed their concerns to ensure every employee feels respected and cared for, continuously enhancing their sense of gain, security, and belonging.

The Bank deeply integrated the philosophy of resource conservation and environmental protection throughout the whole process and all aspects of operation and management and business operation, enriching the green and low-carbon corporate culture. **In terms of green office**, the Bank raised green and environmental awareness of all employees through improvements of relevant systems and promotion of green concepts to advocate the conservation and recycling of water and electricity, catering, office supplies, etc. The Bank took multiple measures to guide its employees to cultivate green, low-carbon, cyclic, and sustainable work and lifestyles. The Bank deepened the promotion and application of the collaborative office platform of "iMinsheng" and the number of online meetings held in the year totaled 582,527. As at the end of 2025, the Bank realized online agile substitution of 1,479 paper-based approval processes, and promoted the

quality improvement and upgrading of the organizational operation model. In terms of green operations, the Bank has set up electronic advertising screens at all operating units, business outlets, and office areas to reduce the use of paper posters and publicity materials to solidly advance the green and low-carbon transition of its operations.

(V) Community and NGOs

The Bank has always upheld the corporate mission of "serving the public, caring about people's livelihoods". While focusing on sound business operations, the Bank remained committed to fulfilling social responsibilities, actively participated in social welfare initiatives, and organized a wide range of employee volunteer activities. Through systematic and sustainable public welfare efforts, the Bank aimed to deliver the warmth of the Bank, rally forces for good, and work together to build a harmonious and better society. The Bank has implemented the "Power of Minsheng's Love – ME Charity Innovation Funding Scheme" for 11 consecutive years, providing financial support for innovative public welfare projects in areas such as rural revitalization, community development, educational support, health and well-being, and ecological civilization. In 2025, the Bank further strengthened the development of public welfare ecosystem and promoted high-quality development of the sector through initiatives such as the "Achievements Exchange Meeting of the ME Charity Innovation Funding Scheme", "Future of Public Welfare – Communication Assistance Program through the ME Charity Innovation Funding Scheme", and "Social Organization Empowerment Training". In 2025, the Bank carried out 118 public welfare and charitable projects, benefiting more than 2.65 million people.

(VI) Suppliers

The Bank adhered to and implemented the philosophy of green procurement, and took into full consideration environmental protection, resource conservation, safety, and health in its procurement, while taking into account economic benefits and environmental benefits. The Bank encouraged suppliers to incorporate environmental protection, energy saving, and other requirements into their management system. Under the same conditions, the Bank gave priority to the suppliers who have obtained the certification of environmental management system and whose products were certified as environmentally friendly. The Bank actively conveyed its proposition and support for socially responsible procurement behaviors to the suppliers, guiding them to jointly fulfil their social responsibility for green development and facilitating their improvement in environmental performance.

III.Action Plan

The Bank will fully adhere to the corporate mission of "serving the public, caring about people's livelihood". The Bank will steadfastly prioritize high-quality development as its core objective and remain committed to serving national strategies, empowering the low-carbon transition, and enhancing the well-being of the people. The Bank will continue to optimize the allocation of financial resources and comprehensively improve the efficiency of financial services, injecting strong momentum into the establishment of the new development paradigm. Adhering to the philosophy of green and low-carbon development, the Bank will increase the allocation of green credit, explore and innovate green finance business models and distinctive products to enhance its green financial service capabilities, to facilitate the green upgrading and sustainable development of industries. The Bank will promote green office and build green operation environment with participation of all employees, and contribute the Minsheng strength to the realization of the national goals of "carbon peak and carbon neutrality". The Bank will continue to expand the scope and depth of its high-quality financial services, take enhancing the senses of happiness, gain, and belonging of employees as the goals, to foster a harmonious and happy work environment, and fulfill corporate social responsibilities. The Bank will focus on areas of the people's livelihoods, such as elderly care, educational assistance, and medical care. Centering on branded public welfare initiatives, cultural public welfare undertakings, long-term public welfare campaigns, and volunteer services, the Bank will further advance the "ME Charity Innovation Funding Scheme" to contribute to the building of a harmonious society and write a new chapter in "finance for good".

Principle 5:
Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P9, P10, P11, P12

Response

The Bank has established a top-down, well-structured ESG governance framework that comprehensively covers the Board of Directors, special committees under the Board, and the management team. By continuously optimizing the ESG governance framework, the Bank has advanced various ESG management initiatives in an orderly manner, driving the achievement of high-quality and sustainable development of the whole Bank.

The Board of Directors of the Bank paid high attention to ESG efforts, elevated ESG issues to an important position in corporate governance, and ensured that ESG issues were integrated into all aspects of corporate governance from all levels of decision-making, supervision, and implementation. The Board of Directors comprehensively supervised the implementation of ESG policies and plans, continued to improve the ESG governance structure, regularly reviewed ESG reports, studied and discussed ESG issues, received progress reports from its special committees on ESG and climate-related management activities, guided and supervised the management to carry out ESG-related work, reviewed progress on the ESG management targets, disclosed information in accordance with laws and regulations, and continued to improve the quality of ESG disclosure. The Senior Management of the Bank actively implemented the strategic deployments of the Board. It is responsible for establishing bank-wide ESG-related objectives and key initiatives, and for coordinating and promoting effective execution. The Bank has set up an ESG leadership team with the Chairman as the team leader and the President as the deputy team leader, to advance ESG work from overall planning, coordinated promotion, and implementation, respectively.

The Bank has advanced ESG work from a strategic planning perspective, continued to improve the ESG governance structure and working mechanism, improved the high-quality sustainable development system, and persistently improved the quality and effectiveness of ESG governance. On the basis of fully understanding the performance and progress of the Bank's ESG work, the Board of Directors took the best practices of global peers as the direction, and worked with the Senior Management to make improvements in environmental impacts of financing activities, consumer rights protection, green finance, inclusive finance, business ethics, and other key areas, and to set ESG management-related targets.

The Bank continuously enhanced its performance supervision and evaluation system, with daily supervision as the basis and annual duty performance assessment as the focus. The Bank has refined the mechanisms for deferred payment and recourse and recovery of performance-based remuneration, and established an incentive and constraint mechanism that balances risks and benefits, emphasizes both short-term and long-term development, and reflects strategic priorities and sustainability principles. These measures have promoted the lawful and compliant exercise of rights and assumption of responsibilities by all corporate governance bodies.

Promoting a culture of responsible banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g.capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management, and leadership communication, among others).

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html
P12, P55, P56, P130, P126, P131,
https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html
P73, P85

Response

Capacity Building and Training: The training programs of the Bank were aligned with its strategic transformation, business expansion, and talent cultivation requirements. Adhering to the principle of integrating organizational development, talent development, and learning-based growth, the Bank proactively advanced innovation in training philosophy and models, and product development, comprehensively advanced the upgrading of learning maps, developed general capability courses for all employees and business lines, striving to enhance the overall quality and effectiveness of the Bank's education and training initiatives. In 2025, the Bank completed training for employees with a total of 4.99 million attendances, organized qualification certification examinations of 375 items within the Bank, and 185 live streaming classes, which effectively improved employees' skills in performing their duties.

In terms of environmental protection, the Bank organized themed promotional activities centered on energy conservation, emission reduction, green transport, and a low-carbon lifestyle. The Bank also conducted regular training programs for all employees to enhance their environmental protection awareness and practical skills, thereby

strengthening the development of a culture of conservation. In terms of consumer rights protection, in line with management practices and business development, the Bank formulated and issued the 2025 Work Plan for Training Programs on Consumer Rights Protection of China Minsheng Bank. Adhering to the fundamental requirements of full coverage, rigorous process management, and effective implementation, the Bank conducted layered and classified consumer rights protection training. In 2025, the Bank cumulatively conducted 4,670 training sessions on consumer rights protection, with over 410 thousand participants.

Remuneration Distribution: The Bank has established a sound total remuneration allocation mechanism, and the total annual remuneration of employees of the Bank is determined after comprehensively considering the total number and structure of employees, development of young employees, risk control, operating results, and other factors. The total remuneration of branches and sub-branches is floated by linking to key indicators such as customer base, risk control, economic benefit, sustainable development, and social responsibility, so as to reflect the long-term value orientation. Additionally, individual performance-based compensation is determined in accordance with the overall performance of the respective unit (department) and the individual, reinforcing a performance-driven approach and encouraging value creation.

Performance appraisal: The Bank continued to enhance system development and technology empowerment, and planned and established an employee value system, so as to provide tool support for full-process performance management and promote simultaneous enhancement of organization and individual capabilities. Furthermore, the Bank improved the employee performance management system to harness the guiding role of evaluation to facilitate stable business development. In terms of evaluation models, the Bank has established performance evaluation and performance capability evaluation. By combining quantitative and qualitative indicators, the Bank offered a comprehensive evaluation of employees' contributions, promoting the enhancement of their overall capabilities. Regarding evaluation indicators, the Bank incorporated responsibilities such as inclusive finance, green credit, and consumer rights protection into the evaluations of relevant personnel. A "one-vote veto" system was applied in cases involving material risk events, thereby strengthening employees' sense of responsibility and compliance awareness and fulfilling the commitment to sustainable development.

Leadership Communication: The Bank continued to optimize the age and professional structures of the senior management team. The selection criteria emphasized the primary orientation of mission commitment and strategic execution. The Bank also optimized and strengthened the management teams in key departments of the Head Office and branches with strategic importance. Endorsement and execution of the Bank's strategy served as the foremost standard for talent selection. For key positions, the Bank actively selected and appointed young talents who were aligned with the Bank's reform and development, embodied the Bank's culture, possessed a high sense of mission and strong execution capabilities, and demonstrated outstanding leadership and performance. The Bank also increased job rotation and exchange of senior management team to promote experience sharing and capability integration across management levels.

Office Practices: The Bank has continuously deepened the application of the iMinsheng collaborative office platform, actively promoted digital, online, and paperless office operations, and achieved an in-depth integration of green office practices and digital innovation. During the year, a total of 2.29 million cloud documents were created on the platform, 582,527 online meetings were held, and 1,479 paper-based approval processes were migrated to online workflows. Through paperless collaboration, online communication, and agile management, the Bank has driven the upgrading of its organizational management model and corporate culture.

Risk and due diligence processes and policies

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

Links & references

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html

P23, P24, P26, P32, P33

Response

The Bank included ESG risks and climate risks in its comprehensive risk management system, clarified the key points of assessment and management requirements of ESG risks according to the characteristics of key industries in the whole process of credit management, and conducted regular monitoring, assessment, and evaluation.

ESG Risk Management Framework: The Bank's Board of Directors assumes the ultimate responsibility for comprehensive risk management. The Risk Management Committee of the Board of Directors is mainly responsible for reviewing or approving matters related to comprehensive risk management, regularly evaluating the Bank's risk preference and strategy, risk management and risk tolerance, and supervising the Senior Management's control of various risks, such as credit risk, operational risk, compliance risk, and climate and environmental risk. During the reporting period, the Bank's Board of Directors and the Risk Management Committee reviewed the proposal on the Risk Preference Statement of China Minsheng Bank (2025 version), which clarified to promote the application of ESG rating models in the whole process of investment and financing, improve the climate risk management system, strengthen the exploration of innovative business models by focusing on distinctive scenarios and enhancing collaboration with carbon markets, government specialized platforms, local green project catalogs, and third-party platforms.

ESG Risk Assessment: The Bank continuously enhanced the standardization and digitization of ESG risk assessment in the credit due diligence process, and integrated ESG due diligence into the credit management system of the Bank. The Credit Assessment Department of the Bank led the formulation of the Checklist for ESG Risk Due Diligence, further clarifying the key points of ESG due diligence for customers and projects. This checklist covers nine carbon-intensive industries, including thermal power generation, cement manufacturing, plate glass, petrochemical, steel, paper-making, non-ferrous metal, chemical, and civil aviation, as well as three industries that potentially have a significant impact on social stability and public interests, including nuclear power generation, hydroelectric power generation, and municipal solid waste incineration power generation. **The contents of ESG due diligence includes, but is not limited to**, pollutant and waste discharge management, industrial admission policy, business permits, work safety and occupational health-related certificates, negative corporate information, energy conservation review opinions, and social stability risk assessment. The credit investigators are required to specify the ESG risk classification (low risk/medium risk/high risk) in the due diligence opinion. To ensure true and reliable results, the Bank conducted cross-validation and analysis of information from competent authorities, credit agencies, regulatory authorities, and other channels when identifying ESG risks.

The Bank prohibited the admission of new customers and actively reduced or exited existing customers and projects that failed to meet environmental impact assessment requirements, violated ESG policies on ecological protection, environmental protection, workplace safety, quality inspection, land use, or resettlement, those were in the "blacklists" for environmental protection and safety, those were named in inspections by environmental authorities at various levels, those were located in prohibited or restricted development zones, and those were situated in areas subject to the "watershed-specific approval restrictions" policy imposed by environmental authorities. For socially and environmentally friendly enterprises, the Bank leveraged data-based tools to continuously improve service efficiency through measures including process streamlining and sufficient authorization.

Risk Mitigation: The Bank maintained vigilant oversight of the driving effects and transmission paths through which ESG-related risk factors impacted credit risk during investment and financing activities. The Bank incorporated ESG risk considerations into investment and financing management. Based on industries, geographic locations, and the nature and severity of the ESG risks of customers and their projects, the Bank requires all operating units, relevant functional departments, and business departments to implement the whole-process management of ESG risks and carry out dynamic evaluation in the processes of due diligence, compliance review, and credit approval, contract management, fund appropriation and disbursement, and post-lending management. The Bank also implemented namelist-based management of customers presenting material environmental (including climate), social, and governance risks, and achieved automated push of work orders, and adopted differentiated risk mitigation measures in post-lending management.

Principle 6:
Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

Response

The Bank's public disclosures on the commitments in the Principles are all extracted from the Company's 2025 Annual Report, 2025 Sustainability (ESG) Report and 2025 Corporate Social Responsibility Report that have been reviewed by independent external auditors and consulting agencies.

https://ir.cmbc.com.cn/en/investor-relations/financial-information/financial-reports/

https://en.cmbc.com.cn/CMBCToday/ESG/CSRReport/index.html

https://en.cmbc.com.cn/CMBCToday/ESG/ESGReport/index.html