

**Bank of Nanjing Co., Ltd.**

**2025 Semi-annual Sustainable Finance Report**

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# **I. Preparation of the report**

## **1. Reporting scope**

Scope of organizations: This report covers Bank of Nanjing Co., Ltd. and its subsidiaries.

Time period: This report covers the period from 1 January 2025 to 30 June 2025. With the aim of enhancing comparative analysis and forward-looking insights, select sections of the report incorporate additional periods where appropriate.

## **2. Report language and access**

This report is prepared in Simplified Chinese, and an English version is provided. In the event of discrepancies in interpretation between the two versions, the Chinese version shall prevail. This report's electronic version is available for download on the Bank's website ([www.njcb.com.cn](http://www.njcb.com.cn)).

## **3. Abbreviation**

For the purposes of this report, the following terms shall bear the meanings as defined below unless otherwise specified herein.

The Company	Refers to	Bank of Nanjing Co., Ltd. and its subsidiaries
The Bank/Bank of Nanjing	Refers to	Bank of Nanjing Co., Ltd.
CSRC	Refers to	China Securities Regulatory Commission
PBOC	Refers to	People's Bank of China
Xinyuan Asset Management	Refers to	Xinyuan Asset Management Co., Ltd.
Xinyuan Capital Management	Refers to	Xinyuan Capital Management Co., Ltd.
Nanyin Wealth Management	Refers to	Nanyin Wealth Management Co., Ltd.
Bon BNPP Consumer Finance	Refers to	Bon BNPP Consumer Finance Co., Ltd.

## **4. Contact information**

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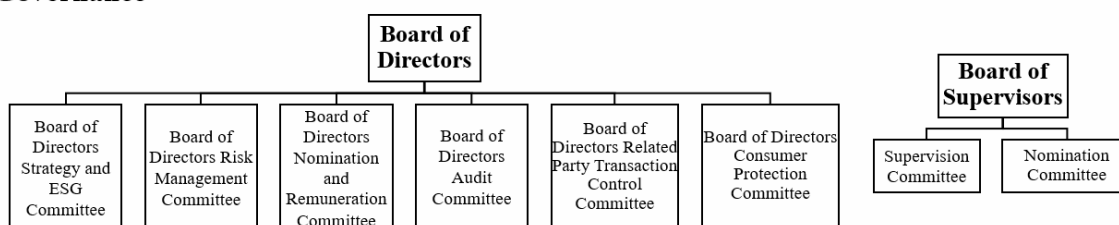
## II. Governance

### (I) Corporate governance

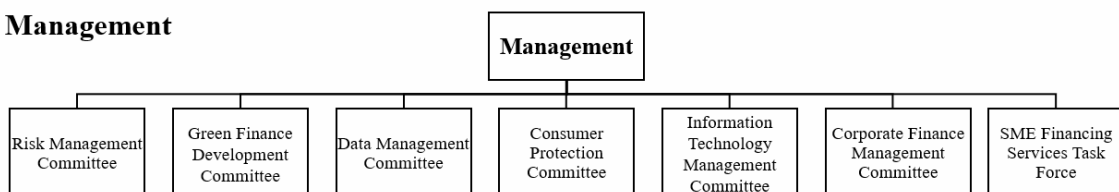
#### 1. ESG governance structure

We are committed to establishing a long-term ESG governance mechanism. By integrating our own business model and strategic priorities, we actively draw upon advanced ESG practices both domestically and internationally to build a comprehensive, top-down ESG governance framework that is well-structured, clearly defines responsibilities and authorities, and covers the Board of Directors, the Board of Supervisors, and senior management. Through efficient cross-level collaboration and the full participation of all employees, we continuously strengthen the foundation for sustainable development, steadily implement various ESG initiatives, and promote high-quality sustainable development across the bank.

#### Governance



#### Management



### ESG governance structure of Bank of Nanjing

#### 1.1 Board of Directors

The Bank's Board of Directors has six special committees, namely the Board of Directors Strategy and ESG Committee, the Board of Directors Risk Management Committee, the Board of Directors Nomination and Remuneration Committee, the Board of Directors Audit Committee, the Board of Directors Related Party Transaction Control Committee, and the Board of Directors Consumer Protection Committee. The qualifications, selection procedures, total number, and composition of directors fully comply with the stipulations outlined in the *Company Law*, the *Commercial Banking Law*, and other laws and regulations.

Name of special committee	Number of directors	Number of independent directors	Committee chairman and members
Board of Directors Strategy and ESG Committee	7	0	This committee is chaired by Chairman of the Board Director Mr. Xie Ning, with members including President Mr. Zhu

			Gang, Shareholder Directors Mr. Yang Bohao, Ms. Chen Zheng, Mr. Chen Yunjiang (whose qualification as a director is pending approval from the financial regulator), Mr. Xu Yimin, and Mr. Liao Dingjin.
Board of Directors Risk Management Committee	3	2	This committee is chaired by President Mr. Zhu Gang, with members including Independent Directors Mr. Yu Honghai and Mr. Wu Hong. Independent directors constitute 66.7% of the committee's composition.
Board of Directors Nomination and Remuneration Committee	3	3	This committee is chaired by Independent Director Ms. Qiang Ying, with members including Independent Directors Ms. Yu Ruiyu and Mr. Wu Hong. Independent directors constitute 100% of the committee's composition.
Board of Directors Audit Committee	5	3	This committee is chaired by Independent Director Ms. Yu Ruiyu (accounting expert), with members including Shareholder Directors Ms. Chen Zheng, Mr. Chen Yunjiang (whose qualification as a director is pending approval from the financial regulator), Independent Directors Ms. Qiang Ying and Mr. Yu Honghai. Independent directors constitute 60% of the committee's composition.
Board of Directors Related Party Transaction Control Committee	3	3	This committee is chaired by Independent Director Mr. Yu Honghai (business administration expert), with members including Independent Directors Ms. Qiang Ying and Ms. Yu Ruiyu. Independent directors constitute 100% of the committee's composition.
Board of Directors Consumer Protection Committee	3	1	This committee is chaired by Independent Director Mr. Wu Hong (legal expert), with members including Shareholder Directors Mr. Yang Bohao and Mr. Xu Yimin. Independent directors constitute 33.3% of the committee's composition.

The Board of Directors of the Bank assumes ultimate responsibility for the formulation and implementation of the Company's ESG strategy. The Board specifies strategic objectives, key tasks, and management priorities, oversees and evaluates the implementation of ESG strategy, and organizes comprehensive evaluation of the effectiveness of related work. The Board guides ESG risk identification and assessment, reviews relevant objectives and progress regularly, and provides guidance on improving paths to achieving the objectives. The Board also listens to reports from special committees and the management on the progress of ESG-related matters and provides guidance on the disclosure of ESG-related information, ensuring that the disclosed information is accurate, complete, and transparent.

The Strategy and ESG Committee, Related Party Transaction Control Committee and Consumer Protection Committee of the Board of Directors are responsible for coordinating and guiding the orderly advancement of ESG management, formulating ESG management policies and strategies, regularly tracking and evaluating the progress, guiding and supervising the corresponding implementation. The committees supervise and guide the fulfilment of social responsibility, green finance, inclusive finance, rural revitalization finance, and related party transactions, and regularly listen to reports on the progress of related work. The committees also guide and urge the establishment and improvement of the consumer protection management system by urging the implementation of related work such as product and service review, complaint management, debt collection management, and fair marketing, and guide the strengthening of privacy and data security of personal clients, improving the quality and effectiveness of consumer rights protection.

The Risk Management Committee of the Board of Directors is responsible for overseeing and guiding ESG-related risk management, including climate risk and opportunities. The committee listens to periodic reports on topics such as comprehensive risk and quantification of ESG-related risk factors to study countermeasures for climate change, advance the in-depth integration of ESG elements into the comprehensive risk management system, and facilitate organic integration of ESG elements into the client credit rating system. The committee continuously refines risk stress tests and guides the improvement of industry credit policies. The committee also regularly listens to reports on IT risk and cybersecurity risk management to oversee and guide the management of IT and cybersecurity risk control.

According to their respective roles, the Audit Committee and the Nomination and Remuneration Committee of the Board of Directors work together to effectively supervise and guide the Bank's ESG practice. Specifically, the Audit Committee regularly listens to reports on internal and external audits, supervises and assesses internal controls, promotes the rectification of ESG-related problems identified in internal and external audits, and continuously improves the soundness and effectiveness of the internal control system. The Nomination and Remuneration Committee attaches great importance to the growth and development of employees, focusing on training and career development of the Bank's employees.

#### ● **Independence of directors**

As of 30 June 2025, the Board of Directors consisted of 11 members, including two executive directors, five non-executive directors (including one whose qualification as a director is pending approval from the financial regulator), and four independent directors. The Company's independent directors constitute 40% of the Board of Directors' composition. None of the Bank's independent



directors serve as independent directors in more than three domestic listed companies or five domestic and foreign enterprises, and none concurrently hold independent director positions in more than two commercial banks. The qualifications, number, and proportion of the Bank's independent directors comply with the relevant regulations of the National Financial Regulatory Administration (NFRA), the CSRC, and the Shanghai Stock Exchange (SSE).

- **Expertise of directors**

The members of the Bank's Board of Directors possess strong professional expertise in their respective fields. Among them, five non-executive directors have diverse backgrounds in banking, financial holding, investment, insurance, and regulatory areas, with extensive practical experience in risk management, corporate governance, and industry operations. Four independent directors have deep professional expertise in accounting and auditing, legal affairs, risk management, and corporate research. The overall team demonstrates outstanding professional capabilities, providing robust strategic guidance and specialized expertise for the Bank's sustainable development.

In the areas of risk management and climate risk management, some members of the Board have particularly notable expertise, as outlined below.

Mr. Zhu Gang, Senior Economist, formerly served at Bank of Nanjing as Deputy Head of the Policies and Regulations Department, Deputy Director of the Office, Deputy Head of the Credit Business Department, General Manager of Corporate Banking Department, Director of the Office, General Manager of Risk Control Department, Assistant to President of Bank of Nanjing and concurrently Party Committee Secretary and Branch President of Wuxi Branch, Member of the Party Committee and Deputy President of Bank of Nanjing and concurrently Party Committee Secretary and Branch President of Suzhou Branch, Member of the Party Committee and Deputy President, Executive Director of Bank of Nanjing; Executive Member of the Nanjing Enterprise Confederation and the Nanjing Entrepreneurs Association; Deputy Party Committee Secretary and Deputy President of Nanjing Bank (Professional Manager); Shareholder Director of Bank of Rizhao Co., Ltd.; Member of the Party Committee and Deputy President of Bank of Nanjing (Professional Manager); and Member of the Jiangsu Provincial Macroeconomic Association. Mr. Zhu now serves as the Deputy Secretary of the Party Committee, Executive Director of the 10th Board of Directors, President and Financial Director of Bank of Nanjing; Member of the China Society for Finance & Banking, Member of the Jiangsu Society for Finance & Banking, and Vice Chairman of Jiangsu Banking Association. He has extensive practical experience in corporate governance and financial risk management.

Mr. Yang Bohao, with rich experience in financial institutions across multiple global regions, previously served as the Principal of the Corporate Finance Department for Australia, South Korea, Japan, and Greater China regions, and Deputy General Manager of the Taiwan Region at BNP Paribas (Taiwan), Market Leader of the Taiwan Region, Deputy Regional Vice President for Northeast Asia and Executive Vice President of Hong Kong Branch, Deputy Head of the Corporate Finance Department of Greater China Region, Chief Executive Officer of Hong Kong Branch, and Head of Greater China Region at BNP Paribas. Mr. Yang now serves as the Chief Executive Officer of Asia-Pacific Region at BNP Paribas Group, Chief Executive Officer of Corporate and Institutional Banking for the Asia-Pacific Region at BNP Paribas and Shareholder Director on the 10th Board of Directors of Nanjing Bank. He possesses comprehensive expertise in financial institution risk management.

Mr. Wu Hong, a professor at East China University of Political Science and Law and a legal expert, has a wealth of practical and academic experience in law, along with independent director experience in listed companies and financial institutions. Mr. Wu currently serves as the Chairman of the Board of Supervisors at Keboda Technology Co., Ltd. In 2024, the company's Jiaxing production base initiated the construction of an energy management system. Once completed, the system will enable real-time collection and analysis of energy consumption data, timely detection of abnormal energy usage and implementation of control measures, optimized energy allocation and improved utilization efficiency, continuous greenhouse gas inventory accounting to identify major emission sources, laying a solid foundation for developing greenhouse gas reduction plans and implementing emission reduction projects. The Jiaxing production base and Shanghai facility generated approximately 3,320 MWh of self-produced green electricity from photovoltaic systems, equivalent to a reduction of 2,170 tCO<sub>2</sub>e in carbon emissions. He has authored works such as *Research on Legal Environment of Constructing an International Financial Center in Shanghai* and the textbook *Financial Law*, focusing on legal environment and risk management. He has received honors including the State Council Special Allowance, National Outstanding Teacher, and Shanghai Leading Talent, contributing significantly to both academic research and industry practice in financial development.

Ms. Qiang Ying has held various positions, including economics faculty member at the International Business School of Nanjing University, Director of the Research Institute and Supervisor at Huatai Securities, Director at Huatai Great Wall Futures Company and Shanghai GP Capital, Assistant General Manager and Director of the Research Institute at Caitong Securities, as well as Executive Director and General Manager at Zhejiang Yongtai Asset Management. She participated in Independent Director Qualification Training and STAR Market Independent Director Training organized by the SSE, covering topics such as Director Conduct Guidelines, STAR Market Listing Rules, and information disclosure. She is the author of *Economic Analysis of Investment Projects* and *Investment Economics*, and has extensive experience in financial environment, financial risk management, and sustainability.

### ● Diversity of directors

The Bank places great importance on the diversity of the Board of Directors, which comprise members who represent different backgrounds in terms of gender, age, culture, and professional expertise. As of 30 June 2025, the Bank has 10 directors qualified to perform their duties, including three female directors, accounting for 30% of the total.

## 1.2 Board of Supervisors

The Bank has established a Supervision Committee and a Nomination Committee under the Board of Supervisors, each headed by a Chairman who must be an external supervisor, with committee membership comprising at least three members. The Board of Supervisors and its specialized committees monitor the construction of the Company's ESG governance system. This is achieved through convening Board of Supervisors and committee meetings, sending representatives to attend as observers the meetings of the Board of Directors Strategy and ESG Committee, deliberating and approving proposals related to the Company's ESG development, reviewing progress on ESG strategy implementation and key initiatives, and fully fulfilling their supervisory responsibilities to ensure oversight for the Company's long-term sustainable development.

### **1.3 Management**

**Risk Management Committee:** The committee, chaired by the President of the Bank, oversees the risk management operations across the Bank, drives continuous enhancement of the risk governance framework, reviews the effectiveness of risk management practices, and deliberates on material risk management matters.

**Green Finance Development Committee:** The committee is chaired by the Chairman of the Board of Directors, with the President of the Bank serving as Executive Deputy Chairman, responsible for coordinating and promoting green sustainable development across the Company. Three task forces have been established under the committee for green financial services, ESG risk management, and green operations respectively, to organize and implement specific work objectives and plans in alignment with the strategic planning for green finance development.

**Data Management Committee:** The committee, chaired by the President of the Bank, with heads of major business and functional departments serving as members, leads the bank-wide digital transformation initiatives, responsible for reviewing and approving strategic objectives, development plans, major policies, systems and processes related to digital transformation. It implements the digital transformation decisions made by the Board of Directors and senior management, coordinates comprehensive resource allocation for data management, oversees the implementation of major data management projects; and reviews important matters including data security management, data governance, and digital talent team building.

**Consumer Protection Committee:** The committee is chaired by the President of the Bank, with the Deputy President in charge of consumer rights protection serving as Deputy Chairman, and heads of major business and management departments at the Head Office as members. It is responsible for formulating overall plans and coordinating the implementation of the Bank's financial consumer protection initiatives, monitoring relevant work progress, and reporting to the Board of Directors and the President Office; reviewing response plans for significant negative public opinions and emergency incidents related to financial consumer protection.

**Information Technology Management Committee:** The committee is chaired by the President of the Bank, responsible for the overall management of information technology ("IT") matters. It deliberates and decides on key issues including the Bank's IT strategic planning, budgeting, policies, and technology-related risks. Eight specialized task forces have been established under the committee, covering areas such as technology governance, project initiation, architecture, and innovation. These task forces operate with clear division of responsibilities and close collaboration to advance all technology-related initiatives.

**Corporate Finance Management Committee:** The committee is chaired by the President of the Bank, with leader of corporate finance sector serving as Deputy Chairman, and heads of major business and management departments at the Head Office as members. It is responsible for researching and formulating corporate finance work plans, conducting operational analysis and resource coordination, promoting the implementation of key tasks and achievement of targets; reviewing and providing preliminary approval for major policies and processes, organizational structure, management models, and management system construction plans related to corporate finance.

**SME Financing Services Task Force:** The task force is led by the President of the Bank, with

leaders in charge of corporate finance, retail finance, risk management, and FinTech sectors as deputies. It is responsible for deliberating and making decisions on the Bank's overall implementation plan and target requirements for SME financing services, and coordinating the comprehensive advancement and execution of SME financing initiatives across the Bank.

## 2. Performance of ESG-related responsibilities

2025 performance of ESG-related responsibilities of those charged with governance	
Board of Directors	As at the end of November 2025, the Board reviewed proposals on the Bank's <i>Annual Financial Settlement Report for 2024 and Financial Budget for 2025</i> , <i>2024 Annual Report and Summary</i> , <i>2024 Board of Directors Work Report</i> , <i>2024 Sustainability Report</i> , <i>2024 Internal Control Evaluation Report</i> , <i>2024 Thematic Report on Green Finance</i> , <i>2024 Special Report on Related-Party Transactions</i> , <i>Q1 2025 Quarterly Report</i> , <i>Capital Planning (2025-2027)</i> , <i>Institutional Development Plan for 2025</i> , <i>Environmental, Social and Governance Risk Management Policy</i> , "Adjustment of the Issuance Scale of Financial Bonds and Green Financial Bonds", <i>2025 Semi-Annual Report and Summary</i> ; and revised the <i>Measures for the Administration of Related Party Transactions of Bank of Nanjing</i> , etc. The Board reviewed issues about the Bank's 2025 work plan for financial consumer protection, etc.
Board of Directors Strategy and ESG Committee	As at the end of November 2025, the committee held six meetings, and reviewed proposals on the Bank's <i>Institutional Development Plan for 2025</i> , "Adjustment of the Issuance Scale of Financial Bonds and Green Financial Bonds", "Implementation Status Report on Green Finance for 2024", <i>2024 Sustainability Report</i> , <i>2024 Thematic Report on Green Finance</i> , "2024 Annual Information Technology Work Report", and "2024 Board of Directors Strategy and ESG Committee Work Summary".
Board of Directors Risk Management Committee	As at the end of November 2025, the committee held three meetings, and reviewed proposals on the Bank's <i>Environmental, Social and Governance Risk Management Policy</i> , "2024 Risk Monitoring Report, etc.", promoting the management, assessment, monitoring, and avoidance of ESG risks, and continuously advancing the integrated development of ESG with financial operations.
Board of Directors Nomination and Remuneration Committee	As at the end of November 2025, the committee held three meetings, and reviewed proposals on the Bank's "Adjustment of Members of Specialized Committees of the 10th Board of Directors", "Implementation of Remuneration Arrangement in 2024 and Pre-arrangement of Remuneration for 2025".
Board of Directors Audit Committee	As at the end of November 2025, the committee held five meetings, covering works on "2024 Audit Plan (EY)", "2024 Operating Performance and Preparation Notes for Annual Financial Statements", EY financial and internal control audit team's findings from on-site audits, <i>Annual Financial Settlement Report for 2024 and Financial Budget for 2025</i> , "2024

	Comprehensive Audit Work Report”, etc. During deliberations on financial matters, the committee provided guidance and coordination on sustainability initiatives and annual report preparation matters, delivering effective support for the Bank’s ESG development.
Board of Directors Related Party Transaction Control Committee	As at the end of November 2025, the committee held five meetings, and reviewed proposal on “2024 Special Report on Related Party Transactions”, which addressed ESG-related work.
Board of Directors Consumer Protection Committee	As at the end of November 2025, the committee held two meetings, and reviewed proposals on the “Notification on Banking Consumer Complaints for the First Three Quarters of 2024”, “Assessment and Evaluation Results of Financial Consumer Protection Work at Branches in 2024”, “Special Audit Report on Consumer Protection Work in 2024”, and “2025 Work Plan for Financial Consumer Protection”, etc. The committee facilitated the management of consumer rights and interests throughout ESG initiatives and the development of further plans, and received work reports on ESG-related consumer protection initiatives.
Board of Supervisors	As at the end of November 2025, the Board deliberated and approved documents including the Bank’s <i>2024 Sustainability Report</i> and <i>2024 Thematic Report on Green Finance</i> . Representatives attended meetings of the Board of Directors’ Strategy and ESG Committee and Consumer Protection Committee, listened to reports on the implementation of green finance in 2024, financial services for small- and micro-sized enterprises (“SMEs”) in the first half of 2025, and the 2025 work plan for financial consumer protection. They participated in related discussions and fully fulfilled their supervisory responsibilities.
<b>2025 performance of ESG-related responsibilities of management</b>	
Risk Management Committee	In 2025, the committee held four meetings to review various policy frameworks including ESG risk management policy, and to discuss and advance implementation of annual risk management strategies and risk mitigation measures for key areas.
Green Finance Development Committee	In 2025, under the guidance of the committee, the Bank achieved rapid growth in green finance business. Multiple innovative products, such as “carbon footprint-linked loans” and “near-zero carbon factory loans”, were launched as first-of-their-kind initiatives either nationally or within provincial markets. Adhering strictly to international standards jointly developed by China, the EU, and Singapore, the Bank successfully issued a 10-billion RMB green financial bond—the nation’s first domestic thematic green bond aligned with the <i>Multi-jurisdiction Common Ground Taxonomy</i> . Branch-level specialized operations demonstrated significant results, with pilot branch construction plans progressing smoothly and the number of green branches steadily increasing. In the first half of 2025, the Bank released <i>2024 Sustainability Report</i> , <i>2024 Thematic Report on Green Finance</i> , <i>2024 Principles for Responsible Banking (PRB) Report</i> , and <i>2024</i>

	<i>Environmental Information Disclosure Report</i> , further enhancing its market influence. In the second half of 2025, the Bank was formally invited to join the Alliance for Green Commercial Banks as the only city commercial bank nationwide.
Data Management Committee	As at the end of November 2025, the committee held two meetings to summarize the Bank's data management work and digital transformation initiatives in 2024, and outline the key priorities for digital development in 2025, and review external data budget allocations. Additionally, the committee deliberated on the implementation progress of the Bank's digital transformation, AI-enabled scenario construction, data governance initiatives, and regulatory data management programs.
Consumer Protection Committee	In the first half of 2025, the committee deliberated the consumer protection work plan and annual consumer protection guidelines, ensuring adequate resources and support to integrate consumer protection elements into all stages of business management. It held multiple thematic meetings focusing on critical challenges in consumer protection, and organized targeted campaigns to systematically address and reduce complaint rates, thereby strengthening the effectiveness of coordinated leadership.
Information Technology Management Committee	As at the end of November 2025, the committee held one plenary meeting and 16 specialized meetings, deliberated and approved the annual technology budget, as well as major projects such as the "Customer Service Platform", "Marketing Intelligence System", and "IT Innovation Transformation Program", to advance innovative projects including large-scale AI models, robotic solutions, and WeCom operations. The committee also arranged regulatory stress testing, rectification of rating issue, and other key initiatives.
Corporate Finance Management Committee	As at the end of November 2025, the committee held multiple meetings, deliberating on topics including corporate financial product innovation and process optimization, as well as targeted implementation strategies for corporate banking services.
SME Financing Services Task Force	In the first half of 2025, the committee formulated the overall implementation plan and target requirements for the Bank's SME financing services, and guided the implementation of key initiatives. Under the Head Office's framework, 17 branch task forces and 148 sub-branch task forces were established, carrying out the "Mass Visit Campaign for SMEs", to precisely understand the financing needs of SMEs, and effectively facilitate the financing activities of SMEs.

### 3. Remuneration management

#### 3.1 Remuneration clawback mechanism

The Bank has established robust remuneration clawback mechanism, with ongoing efforts to enhance supervisory controls and accountability for the Board of Directors and senior executives.

#### ● Management structure

The Board of Directors is responsible for designing the Bank's remuneration management system and policies in accordance with the Articles of Association, applicable national laws, regulations, and policy frameworks, and bears ultimate accountability for remuneration management.

The Board of Directors Nomination and Remuneration Committee reviews remuneration -related policies, provides preliminary determination on total payroll budgets, and submits recommendations to the Board of Directors for approval prior to implementation.

The Board of Directors Office is responsible for implementing the Board's decisions regarding risk responsibility assessment of senior executives and the suspension or recovery of deferred performance remuneration.

The Head Office Human Resources Department establishes and maintains ledgers for deferred performance remuneration applicable to personnel under its management authority, and makes decisions on suspending or recovering such deferred payments. The Head Office Finance and Accounting Department establishes dedicated accounts for deferred performance remuneration and implements specialized account management. The Head Office Asset and Liability Management Department oversees performance evaluation within the deferred performance remuneration management process. The Head Office Internal Audit Department incorporates the implementation of deferred performance remuneration into internal audit scope.

#### ● **Policy requirements**

The Bank has established the *Bank of Nanjing Management Measures for Deferred Payment of Performance Remuneration* based on the *Supervisory Guidelines on Sound Compensation in Commercial Banks* and the *Bank of Nanjing Compensation Management Policy*, tailored to the Bank's operational realities. For management personnel with significant risk exposure, over 40% of performance remuneration is subject to deferment. For positions with moderate risk exposure, 5-30% of performance remuneration is subject to deferment in principle, with the flexibility to increase this ratio to 40% under exceptional circumstances. During the deferred payment period, if risk liabilities arise, such as major losses or abnormal risk exposure caused by negligence, as determined by the Accountability Review Committee, the Bank reserves the right to suspend or recover deferred performance remuneration proportionally and may claw back fully disbursed performance remuneration within the applicable period.

#### ● **Implementation process**

The Bank assesses the severity of the circumstances which lead to the clawback of performance remuneration and enacts varying proportions of payment clawback on the related staff. If the incident occurs in the current year, deductions shall be made from the performance remuneration payable in the current period; and if the incident relates to prior years, the Bank shall suspend or recover the deferred performance remuneration portion attributable to the corresponding year. If deferred compensation for the relevant year has matured and been disbursed, the Bank may suspend or recover deferred performance remuneration from other years.

If management personnel breach the *Employment Contract*, *Confidentiality and Non-Compete Agreement*, or other related agreements, in addition to the agreed liquidated damages and corresponding compensation obligations, the Bank may, based on the severity of adverse impacts or actual losses

incurred due to the breach, suspend or recover a proportionate part of their deferred performance remuneration. Furthermore, for cases where the individual refuses to pay or fails to fully settle liquidated damages, or refuses to fulfill or inadequately executes compensation obligations, the Bank is entitled to lawfully suspend or recover the deferred performance remuneration amount in question.

### **3.2 Say on pay policy**

According to the Bank's articles of association, the general meeting of shareholders shall exercise decision-making rights on the remuneration of directors and supervisors in accordance with the law, and implements the supervision of general shareholders in respect of the allocation of remuneration to directors and supervisors. The Board of Directors determines the remuneration of senior management members. In the course of specific implementation, the Bank's remuneration distribution plan for senior management members is implemented after being reviewed and approved by the Board of Directors. The remuneration distribution plans for directors and supervisors shall also be submitted to the general meeting of shareholders for review and approval. All reviewed and approved remuneration distribution plans are disclosed to the public in accordance with relevant requirements. On 16 May 2025, the Bank held its 2024 annual general meeting of shareholders, during which the proposal "2024 Board of Directors Work Report" was deliberated and approved.

### **3.3 Pay linked to sustainability**

The Bank continuously optimizes the design of sustainability-related indicators, including development transition indicators and social responsibility indicators, while strengthening the linkage mechanism between these indicators and the remuneration of directors, supervisors, and senior management members to ensure the effective implementation of the sustainable development strategy.

#### **● Indicators**

**Qualitative sustainability-related indicators:** The Bank adheres to the new development philosophy to achieve high-quality growth, primarily evaluating the performance of directors, supervisors, and senior management members against sustainability-related indicators such as the implementation of corporate governance, ESG management system construction, breakthroughs in personal pension services, talent development, consumer protection, anti-money laundering compliance, and optimization of customer journey experiences.

**Quantitative sustainability-related indicators:** The Bank primarily assesses the performance of directors, supervisors, and senior management members against quantitative indicators related to the implementation of inclusive finance, green finance, technology finance, rural revitalization loans, green bonds, rural revitalization bonds, and quality improvement and efficiency enhancement in consumer protection initiatives.

#### **● Implementation**

The Bank's remuneration framework is structured around base salary, variable compensation, and benefits. In particular, the variable component is explicitly linked to sustainability-related performance. This linkage serves as the foundation for determining the performance-adjustment multiplier, ensuring alignment between incentives and accountability. Directors, supervisors, and senior management members have effectively met their sustainability-related performance targets, which underscores the effectiveness of duty performance evaluations in activating incentive-restraint mechanisms to advance



sustainability goals.

## **(II) Corporate behavior**

The Bank has always treated business ethics as an important cornerstone of robust operation, and has continuously improved its business ethics management system. The Bank has built a sound anti-bribery and anti-corruption framework and management mechanism, strengthened whistleblowing and whistleblower protection arrangements, and comprehensively enhanced employee behavior management. The Bank systematically organizes training on business ethics and integrity culture for all permanent staff and workers dispatched from labor leasing companies, regularly conducts business ethics audits. Such efforts help continuously raise the awareness of compliance and strengthen the code of conduct of all employees. The Bank also continues to improve anti-money laundering mechanisms, processes, tools, and methodologies, thereby enhancing anti-money laundering management capabilities.

### **1. Business ethics management structure**

The Bank has consistently improved the management system related to business ethics, and formulated policy documents related to business ethics management such as compliance management, anti-bribery, anti-corruption, employee behavior management, whistleblowing management, risk prevention and control of criminal cases, anti-money laundering, with clearly defined duties of the Board of Directors, the Board of Supervisors, the Risk Management Committee and management.

In terms of compliance management, the Board of Directors is responsible for establishing the Bank's compliance management objectives, taking ultimate responsibility for the effectiveness of the Bank's compliance management. The Board of Supervisors assumes supervisory responsibility for compliance management, monitoring the performance of the Board of Directors and senior management in compliance management and urging the rectification, if needed. Senior management of the Bank is responsible for implementing the compliance management objectives and bears leadership responsibility for the compliance of the businesses within their respective assigned or supervised areas.

In terms of risk prevention and control of criminal cases, the Board of Directors is responsible for taking the ultimate responsibility for comprehensive risk management and risk prevention and control of criminal cases. The Bank's Board of Directors has set up the Risk Management Committee, which is responsible for reviewing and approving the overall policy of risk prevention and control of criminal cases, reviewing work reports, assessing the work effectiveness, to ensure that the Company's risk management system and risk prevention and control of criminal cases are subject to effective review and supervision of the Internal Audit Department. The Board of Supervisors assumes supervisory responsibility for risk prevention and control of criminal cases and senior management is responsible for implementing risk prevention and control of criminal cases to meet the relevant requirements of regulatory authorities and the Board of Directors, and establishing and improving the internal control mechanism based on the Bank's operational needs. In 2025, the Board of Directors reviewed and approved the *2024 Risk Prevention and Control Evaluation Report on Criminal Cases*, which aims to enhance the Bank's employee behavior and management of risk prevention and control of cases.

In terms of employee behavior management, the Board of Directors holds ultimate responsibility for employee behavior management. The Board of Directors is responsible for cultivating a corporate culture centered on integrity and ethical conduct in compliance with laws and regulations; reviewing

and approving major institutional arrangements such as employee behavior management policies. Senior management is responsible for implementing employee behavior management, establishing a comprehensive employee behavior management framework with clearly defined rights and obligations, promoting the implementation of employee behavior management policies and procedures. Senior management reports the results of employee behavior assessment to the Board of Directors on an annual basis.

## **2. Construction of anti-bribery and anti-corruption system**

The Bank has established a closed-loop anti-bribery and anti-corruption management mechanism featuring system prevention and control, behavior restriction and oversight and accountability. The Bank strengthens integrity risk prevention and control from the source by embedding ethical requirements in business system, process design and management stage. Through employee behavior management, the Bank guides employees to consciously abide by the bottom line of integrity. Through the supervision mechanism, the Bank works to ensure that violations of laws and regulations can be timely detected and seriously dealt with.

The Bank has established an anti-bribery and anti-corruption policy system, formulated the *Key Points of Anti-Bribery and Anti-Corruption Policies of Bank of Nanjing*, which is publicly disclosed to the public on its official website. The document clarifies the scope of application of the policy, general principles and requirements, and integrity standards in key areas such as personnel appointment and removal, procurement, credit and public welfare donations, establishing the institutional basis and implementation framework for the Bank's anti-bribery and anti-corruption efforts.

In terms of employee behavior management, the Bank has formulated the *Employee Behavior Management Policy of Bank of Nanjing*, which clarifies the professional ethics and code of conduct that employees should abide by, requiring all employees to proactively fulfill obligations of acting with honesty and in good faith, upholding integrity and self-discipline. Employees are strictly prohibited from any form of benefit transfer, quid pro quo practices and improper behaviors. In addition, the Bank has formulated and implemented the *Disciplinary Measures for Employee Misconducts of Bank of Nanjing (Trial)*, which clearly stipulated the identification and handling procedures of violations and relevant accountability measures, ensuring rigorous enforcement of the policy and transparency in accountability.

In terms of supervision and discipline enforcement, the Bank has formulated the *Interim Provisions on the Coordination Mechanism of Discipline Inspection and Compliance Management of Bank of Nanjing*, which aims to strengthen the coordination between discipline inspection and compliance departments, optimize the operation mechanism of the supervision system, and promoted the coordination of discipline inspection, compliance management and risk prevention and control to form supervisory synergy. These efforts effectively improved the identification, prevention, and handling of corruption and policy violations, and cultivated the culture of integrity across the Bank.

### **● Supplier anti-bribery and anti-corruption**

In terms of supplier management, the Bank attaches great importance to the compliance and integrity of procurement. The Bank has formulated documents such as *the Centralized Procurement Management Measures of Bank of Nanjing* and the *Centralized Procurement Implementation Rules of Bank of Nanjing* to specify the management principles, operation processes and requirements of

centralized procurement, and strictly define prohibited activities in procurement, ensuring impartiality and fairness throughout the procurement process. Specifically, the *Centralized Procurement Management Measures of Bank of Nanjing* is applicable to all levels of operations of the Bank, and the *Centralized Procurement Implementation Rules of Bank of Nanjing* are applicable to the Head Office. Each branch shall, in accordance with the Head Office's regulations, and based on their specific circumstances, formulate corresponding measures to establish an effective system that is well aligned with the Head Office.

Additionally, the Bank carries out supplier supervision and inspection on an on-going basis. Project demand departments and competent business departments are explicitly required to conduct comprehensive and objective information collection, quantitative analysis and comprehensive evaluation of supplier performance, and issue evaluation reports. The Bank also carried out special rectification actions against violations of laws and disciplines, taking them as prominent problems in bidding and procurement. For major projects, suppliers are required to sign a letter of commitment to integrity.

### **3. Reporting and whistleblower protection**

The Bank has established and improved the management system for managing complaints and reporting, and formulated the *Management Measures of Integrity Whistleblowing of Bank of Nanjing* and the *Management Measures of Complaints of Bank of Nanjing*, which clearly regulates the acceptance of complaints, reporting process, investigation and handling, so as to protect the legitimate rights and interests of whistleblowers. In addition, the Bank formulated the *Key Points of Whistleblowing Policy of Bank of Nanjing*, which was disclosed to the public on the Bank's official website. The policy is applicable across all levels of the Bank, with explicit requirements on whistleblower protection, reporting procedures, and accountability for unfounded reports, effectively improving the Bank's supervision system.

#### **3.1 Reporting channels and handling procedures**

The Bank has established safe, unimpeded and convenient complaint and reporting channels at all levels to facilitate timely and effective reporting by whistleblowers. Each branch and subsidiary have set up dedicated departments to receive and handle complaints and reporting, providing whistleblowers such as citizens, legal entities, or other organizations with various means such as letters, emails, phone calls, faxes, and visits to report any suspected or confirmed violations of laws and regulations, professional ethics or other abnormal and suspicious acts involving the entity or its employees. Reporting methods include real-name and anonymous reporting.

The Bank performs localized administration and implements tiered accountability in handling complaints and reports, requiring direct responsibility from supervisors. Dedicated personnel are assigned to address reports received through various channels. Cases are promptly routed to different authorized institutions according to their respective responsibilities and management authority based on their nature and the scope of personnel involved. The handling progress is also followed up on. For real-name reports with clear and accurate addresses and contact information, the Bank promptly informs the whistleblower of the processing outcome.

<b>Processing procedure:</b>
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- Step 1 Acceptance of the complaints and reports.
- Step 2 Processing by authorized institutions.
- Step 3 Following up on and supervising the case.

### **3.2 Whistleblower protection**

The Bank strictly adheres to the confidentiality requirements for whistleblower information, ensuring the confidentiality and legal rights of all whistleblowers, and the safe and effective operation of reporting channels.

- The relevant informed personnel who accept and handle the whistleblower reports shall strictly fulfill the obligation of confidentiality, strictly keep confidential the name, workplace, home address and other relevant information of the whistleblower as well as the content of the report. The scope of individuals with knowledge of such information must be strictly controlled.
- The department responsible for receiving reports shall designate personnel to safeguard the materials related to complaints and reports. It is strictly prohibited to lend out, copy, or transcribe these materials without permission. The contents must not be disclosed to irrelevant personnel, disseminated externally, or taken out of the workplace without authorization.
- For the report that needs to be transferred, the name, identity, workplace and other personal information of the whistleblower shall be erased, and shall be communicated in an appropriate manner. The reporting materials shall not be transferred to the organization or individual being reported.
- The Bank strictly prohibits retaliation against the whistleblower. The responsible person will be subject to heavier punishment for acts of retaliation against the whistleblower. Those who violate relevant laws and regulations will be transferred to judicial authority according to law.

### **4. Business ethics training**

The Bank has formulated and issued the *Opinions on the Implementation of Integrity Culture Construction of Bank of Nanjing* to coordinate and organize key tasks throughout the year. Diverse and systematic integrity-themed activities have been rolled out across the bank, leveraging various communication channels and innovative dissemination methods to strengthen the integrity awareness of leaders and employees in their professional conduct, thus fostering a healthy and upright environment. The Bank provides training sessions on business ethics and integrity education for all permanent staff and workers dispatched from labor leasing companies. Integrity culture is deeply integrated into the corporate value system, serving as a vital component of the Bank's efforts in Party conduct improvement and anti-corruption. This ensures that the principle of clean governance permeates the entire process of the Bank's corporate governance and business management.

The Bank is committed to enhancing employee compliance education regarding professional conduct, by organizing compliance training via various channels that cover all entities and personnel, to promote awareness of professional ethics, behavioral prohibitions, and moral standards. For annual

training for new employees, newly promoted leaders and newly transferred employees, the Bank arranges dedicated compliance sessions as mandatory courses, continuously strengthening compliance awareness to ensure conscious adherence to laws, regulations, and the Bank's internal policies. The Bank issues case risk alerts and abnormal behavior notifications through multiple channels, consistently reminding all staff to comply with discipline and standardize their behavior. It conducts diverse forms of warning education, including integrity courses delivered through the Communist Party School of Bank of Nanjing, the establishment of a dedicated "Xin Integrity" learning section on the "Suixinxue" online platform featuring high-quality courses on clean financial culture and integrity risk management, and the issuance of integrity reminders during key periods such as major holidays. Using real cases to illustrate ethics, discipline, law, and accountability, the Bank aims to keep the alarm bells ringing and maintain a constant sense of reverence.

## **5. Business ethics audit**

The Bank has built a systematic audit and supervision mechanism, and organized audit of business ethics across all entities and subsidiaries on an annual basis in accordance with the relevant policies such as the *Anti-Money Laundering Internal Audit Management Measures of Bank of Nanjing*, the *Centralized Procurement Implementation Rules of Bank of Nanjing*, the *Measures for the Administration of Related Party Transactions of Bank of Nanjing*, and the *Disciplinary Measures for Employee Misconducts of Bank of Nanjing*.

The Bank's business ethics audits are conducted through a combination of specialized audit and comprehensive business audit, on-site audit and remote audit. These audits focus on key areas such as integrity behaviors, anti-money laundering, employee code of conduct and operational risk management to ensure that misconduct and system weaknesses are promptly identified and addressed. In terms of specific audit areas, the Bank has regularly conducted audits on the effectiveness of internal control, employee behavior management and compliance of related party transactions, while continuously monitoring the operation of anti-money laundering system, with compliance audit of subsidiaries incorporated into the annual audit. Additionally, economic responsibility audits include integrity behaviors as a key focus area, ensuring that oversight extends beyond policy compliance to provide ongoing assurance over behavioral risks and the operational compliance of business activities. In 2025, the Bank formulated an annual internal audit plan, which was reviewed and approved by the Board of Directors. The plan further clarifies the supervision priorities and key direction of the Bank in compliance and integrity, and provides an important basis for strengthening audit and daily monitoring.

## **6. Anti-money laundering**

The Bank attaches great importance to anti-money laundering management, strictly complies with laws and regulations such as the *Anti-Money Laundering Law of the People's Republic of China* and other regulatory requirements. The Bank has fulfilled the anti-money laundering obligations of financial institutions, continuously improved the internal system, optimized the risk identification and control mechanism, strengthened technology empowerment and professional training of employees, thereby continuously enhancing the quality and efficiency of anti-money laundering to safeguard financial stability and security of the financial market.

### **6.1 Anti-money laundering management structure**

The Bank has established a sound anti-money laundering risk management system characterized

by a well-organized framework, comprehensive structure, and clearly defined responsibilities. This system defines the respective responsibilities of the Board of Directors, Board of Supervisors, senior management, anti-money laundering lead department, client/account/business and channel management departments, human resources department, finance department, information technology department, audit department, branches and subsidiaries, forming a robust operational mechanism featuring clear hierarchical levels, mutual coordination, and effective collaboration.

Board of Directors and its committees	<ul style="list-style-type: none"> <li>The Board of Directors bears the ultimate responsibility for the Bank's anti-money laundering risk management. Its primary duties include establishing culture-building objectives for anti-money laundering risk management, reviewing and approving anti-money laundering risk management strategies and policies, regularly reviewing reports from senior management regarding anti-money laundering management work, and promptly understanding significant anti-money laundering risk incidents and their resolution.</li> <li>The Board may delegate its Risk Management Committee to carry out certain anti-money laundering risk management responsibilities. The Risk Management Committee is responsible for providing the Board with expert recommendations on anti-money laundering risk management.</li> </ul>
Board of Supervisors	<ul style="list-style-type: none"> <li>The Board of Supervisors assumes supervisory responsibility for money laundering risk management, overseeing the performance of the Board of Directors and senior management in fulfilling their duties regarding money laundering risk management and supervising the rectification.</li> </ul>
Senior management	<ul style="list-style-type: none"> <li>Senior management is responsible for implementing money-laundering risk management and executing resolutions of the Board of Directors.</li> </ul>
Relevant departments at the Head Office, branches, and subsidiaries	<ul style="list-style-type: none"> <li>Relevant departments at the Head Office, branches, and subsidiaries fulfill corresponding anti-money laundering obligations according to their respective responsibilities.</li> </ul>

## 6.2 Anti-money laundering policies

The Bank has established a series of anti-money laundering policies, including the *Money Laundering Risk Management Policy of Bank of Nanjing*, the *Anti-Money Laundering Management Measures of Bank of Nanjing* and *Customer Due Diligence Investigation and Customer Data Retention Management Measures of Bank of Nanjing*, to clarify the responsible entities, scope, and content of

anti-money laundering duties. The responsible entities include the Board of Directors, the Board of Supervisors, senior management, the Head Office and entities, and personnel across front, middle and back offices. The scope of duties covers all customers, all products, business, channels and all transactions. The content of duties includes organizational structure, operation mechanism, system, obligation performance, and data systems. Meanwhile, the Bank has formulated such instrumental documents as the *Compilation of Key Suspicious Transaction Cases*, the *Compilation of Typical Scenarios and Cases of Abnormal Transaction Verification* and the *FAQs on Customer Money Laundering Risk Classification*, which are widely applied across the Bank to provide clear operational guidance for anti-money laundering.

### 6.3 Anti-money laundering management system

The Bank focuses on building a customer-centric anti-money laundering management system, establishing a matrix-style anti-money laundering organizational structure, a pyramid-shaped accountability framework, a multi-level policy system, and interconnected anti-money laundering system architecture to set up an efficient operational mechanism with strengthened coordination between the Head Office, entities and subsidiaries and between relevant departments. The Bank also uses a risk-based approach to determine anti-money laundering management strategies. Specifically, on the basis of identification and assessment of money laundering risks, the Bank applies simplified risk controls for lower-risk scenarios; implements enhanced risk controls for higher-risk scenarios. When risks exceed its control capacity, Bank refuses to establish business relationships or transactions with customers. Based on this strategy, the Bank has built foundational frameworks and operational mechanisms for customer due diligence, anti-money laundering risk assessment, transaction monitoring, and anti-money laundering data systems.

The Bank has implemented anti-money laundering requirements, and has continued to promote the construction of customer-centric anti-money laundering management system, reinforce the foundation of anti-money laundering management, optimize and improve the working mechanism and processes, enrich tools and methods, and further improve the quality and efficiency of anti-money laundering work. The Bank's key developments in 2025 regarding anti-money laundering are as follows:

- Established a full-lifecycle customer due diligence mechanism with standardized and intelligent processes and tools following a risk-based approach.
- Further improved the risk assessment system for money laundering of customers, products/businesses and institutions, with differentiated controls based on risk levels.
- Developed a dual-layer monitoring model integrating base models and specialized models to continuously improve the detection of abnormal activities and transaction monitoring effectiveness.
- Enhanced interconnected anti-money laundering system architectures and continuously strengthened systematic and intelligent anti-money laundering efforts by expanding internal and external data sources and strengthening cross-system data integration and sharing.
- In the reporting period, the Bank ranked fourth in Jiangsu Province in terms of the number of key suspicious transaction reports and leads submitted.
- In addition, the Bank has continuously improved its anti-money laundering research capabilities, winning five awards (First Prize, Second Prize, Third Prize, and Excellence Award) in the essay

competition on anti-money laundering organized by Jiangsu Branch of the People's Bank of China. The Bank has also received the Outstanding Organization Award for five consecutive years and frequently participated in regulatory policy revisions and research workshops led by the People's Bank of China.

### III. Environment

#### (I) Financing environmental impact

##### 1. ESG risk management system

###### 1.1 Governance structure

The Bank's Board of Directors takes the ultimate responsibility for ESG risk management. The Strategy and ESG Committee under the Board of Directors is responsible for formulating the green finance development strategy, approving the green finance objectives and reports from senior management, supervising and evaluating the implementation of the Bank's green finance development strategy, and continuously tracking and controlling such implementation.

Senior management is responsible for the organization and implementation of ESG risk management, specifically including: implementing the resolutions of the Board, and advancing the implementation of strategic plans and policies of ESG risk management approved by the Board; regularly inspecting and supervising the progress of execution; clarifying the organizational structure and division of duties for ESG risk management, and continuously promoting the establishment and optimization of ESG risk management system; holding a holistic understanding of the status quo of ESG risk management within the Bank, and reporting relevant situations to the Board on a regular basis, so as to ensure a systematic, effective and transparent risk management.

The Bank has designated the lead department responsible for ESG risk management of clients, and has established a "three lines of defense" mechanism at the professional department level, to ensure effective identification, assessment and ongoing monitoring of ESG risks in financing and investment activities.

**The first line of defense:** Each business line, client management department and business unit, as the direct responsible entity of ESG risk management, is responsible for actively identifying, assessing, responding to, monitoring and timely reporting relevant risks at the front end of the business.

**The second line of defense:** The risk management line, as the leading department of ESG risk management, is responsible for formulating and improving ESG risk management policies, systems and management tools, coordinating and promoting the establishment of the Bank's ESG risk management system, and providing guidance, support and supervision for the work of the first line of defense.

**The third line of defense:** Internal audit department is responsible for independently and objectively supervising and evaluating the performance and effectiveness of the first and second lines of defense in ESG risk management, to ensure a sound risk management mechanism and a compliant implementation.



Through the collaborative linkage of the “three lines of defense”, the Bank has established an ESG risk management framework characterized by clear responsibilities, well-defined divisions of duties, and comprehensive coverage, effectively enhancing the systematic and forward-looking nature of risk management.

## **1.2 Regulatory policies**

The Bank has established a sound ESG risk management system. In accordance with the *Guidelines on Green Finance for the Banking and Insurance Industries* and other regulations, the Bank has developed and issued the *Bank of Nanjing Environmental, Social, and Governance Risk Management Policy* and the *Bank of Nanjing Management Measures for Customers’ Environmental, Social and Governance (ESG) Risks (Trial)*. These documents define that customers’ ESG risk management primarily targets corporate clients, and covers traditional on- and off-balance sheet credit businesses, bond investment and other activities in financial markets, and various types of financing and investment activities such as investment banking services. In addition, the documents also systematically specify the fundamental principles and governance structure of ESG risk management, the criteria for identifying and classifying customer ESG risks, and the integration pathways and application requirements of ESG factors throughout the credit process. This effectively promotes the deep integration of ESG principles with risk management, enhancing the Bank’s capacity for sustainable financial development.

## **2. Environmental credit policies**

The Bank formulates differentiated credit policies based on the attributes and business characteristics of different industries and in accordance with industry technical standards. The Bank has established an industry-wide technical indicator system to enhance risk identification and prevention, and developed corresponding risk mitigation measures and post-loan management strategies. The Bank has issued guidelines on credit policies for 16 key industries, covering agriculture, steel, petrochemical, construction and shipbuilding, and such industry credit policies are strictly binding on credit business.

The Bank has established a dynamic policy optimization mechanism by regularly updating and reviewing credit policies. By tracking industry development trends and regulatory policy changes, in conjunction with business practices, the Bank dynamically evaluates ESG risk factors to continuously enhance the applicability and operational effectiveness of its policies. A closed-loop management system of “monitoring-assessment-adjustment” enables it to implement scientific and systematic management of credit risks for key industries, and to effectively improve the efficiency of credit resource allocation and the overall level of risk prevention and control

### **2.1 Agriculture**

The Bank actively supports the green development of agriculture and forestry, providing efficient and convenient credit services to new agricultural business entities, and actively promoting the transformation and upgrading of “eco-friendly and low-carbon agriculture”. In accordance with the “14th Five-Year Plan” for National Green Development of Agriculture and other policy documents, the Bank formulated the *Bank of Nanjing Guidelines on Credit Approval Policy for Agricultural Projects*. The Bank emphasizes compliance, environmental protection and others in the selection criteria for agricultural and forestry clients. In addition, it is explicitly required that the ownership nature and agricultural use of transferred land must not be altered, ensuring that farmland is used for agricultural purposes. Arable land should be primarily used to produce grain, cotton, oil, sugar, vegetables, and

forage feed, while permanent basic farmland should be mainly used for grain production and be prohibited from other agricultural projects such as fruit tree cultivation or fishpond farming.

## 2.2 Biodiversity

The Bank pays high attention to ecological environment and biodiversity protection in investment and financing business activities. In the annual credit policy, it is clearly required to actively support fields such as energy conservation, pollution reduction, carbon emission reduction and greening, promote the building of clean and low-carbon energy systems, and the wide application of green technologies, while fully considering the impact of projects on the ecological environment and biodiversity.

During the credit approval process, the Bank prudently assesses the potential impact of clients or projects on ecosystems, and strictly complies with the relevant laws, regulations and supervisory requirements on biodiversity conservation. It prohibits involvement in projects that damage ecological protection areas, prohibited construction areas and ecological habitats, and does not involve in projects that have an effect of deforestation and the ruining of grasslands, destruction of wild animal and plant resources, destruction of marine ecological environment, illegal fishing and poaching. The Bank effectively contributes to enhancing the diversity, stability and sustainability of the ecosystem.

In the credit approval management for the photovoltaic industry, the Bank pays close attention to whether projects involve ecologically sensitive areas, taking such involvement as a decisive factor for rejecting financing access. For projects under consideration for support, it requires clients to submit complete environmental impact assessment documents and conduct rigorous verification of their compliance. Additionally, for existing projects, stronger post-loan management with timely checks on land and environmental permits must be conducted to prevent suspension, demolition, or disconnection from the grid due to ecological concerns, thereby safeguarding credit asset security.

In the second half of 2025, the Bank officially joined the Alliance for Green Commercial Banks. The Alliance is committed to deeply integrating sustainability principles into the core strategy of banks, actively providing financial support for low-carbon transition, climate resilience, and inclusive economic growth, and continuously advancing the high-quality development of green finance.

### **Specialized service program for biodiversity conservation**

The Bank has consistently adhered to the principles of ecological friendliness, green development, and sustainability. Since the signature of the *Joint Declaration of Banking Sector to Support Biodiversity Conservation* in 2021, the Bank has actively explored models of green finance supporting biodiversity and proposed a specialized service program for biodiversity conservation. This program aims to provide comprehensive financial products and services to enterprises engaged in ecological restoration, ecological protection, and the prevention and treatment of biological disasters, thereby supporting regional biodiversity conservation and risk mitigation.

#### **Case: Yancheng Branch successfully launched the “Marine Blue Carbon Sink Loan”, enhancing the quality and efficiency of biodiversity services**

Yancheng Branch successfully launched “Marine Blue Carbon Sink Loan – Laver Loan” in Dafeng District, Yancheng City, the first one in Jiangsu Province. Based on the future income rights from the carbon reduction and carbon sequestration benefits generated by laver farming, this loan has

effectively established a green finance channel for realizing the value of marine ecological products. It represents a practical effort to support the “Two Mountains” theory, the “Dual Carbon” goals, and the four “Green Yancheng” initiatives through financial means.

### **Specialized service program for Yangtze River protection**

To actively promote the green transformation of Nanjing City and advance the high-quality development of the Yangtze River Economic Belt, the Bank launched a specialized service program for Yangtze River protection, leveraging high-quality green financial services. It is committed to forging a new path of development prioritizing ecology and green growth, demonstrating the Bank’s responsibility and commitment in driving the green transformation of the Yangtze River Economic Belt. This program focuses on ecological restoration, environmental governance, water source protection, and industrial transition. By innovating green financial service models and allocating resources such as dedicated credit lines, preferential interest rates and expedited approval channels, the program supports industrial upgrading and promotes the sustainable development of the Yangtze River Economic Belt.

### **Case: The Bank supported the expansion project of a sewage treatment plant in Nanjing to advance water pollution control along the Yangtze River**

To alleviate the pressure on Nanjing’s water resources and water environment, and to address the issue of direct discharge of treated effluent from original process flows polluting the Yangtze River, a sewage treatment plant in Nanjing initiated an expansion project. The Bank provided a loan exceeding RMB40 million to support the project’s implementation, helping to mitigate water pollution along the Yangtze River and promoting the development of an eco-friendly city.

## **2.3 Energy**

The Bank coordinates energy supply guarantee and the green, low-carbon transformation of the energy sector, with a focus on ensuring the safe and reliable supply of renewable energy to steadily and orderly substitute traditional energy sources, strengthening financial support for energy system development. Based on policy documents including the *Several Opinions on Promoting the Healthy Development of Non-Water Renewable Energy Power Generation*, the “14th Five-Year Plan” for the *Modern Energy System*, the “14th Five-Year Plan” for *Renewable Energy Development*, the *Catalogue for Guiding Industry Restructuring (2024 Version)*, the *Notice on Issuing the “Benchmarks and Baselines for Clean and Efficient Utilization of Coal in Key Industrial Sectors (2022 Version)”*, the *Guiding Opinions on Vigorously Implementing Renewable Energy Substitution Action Issued by the National Development and Reform Commission and Other Departments*, and the *Action Plan for Accelerating the Construction of a New Power System (2024-2027)*, the Bank formulated the *Bank of Nanjing Guidelines on Credit Approval Policy for Photovoltaic Industry*. It closely monitors and proactively identifies ESG risks in power-related projects, and assesses the significance of these risks and their impact on credit risk.

In accordance with the *Bank of Nanjing Guidelines on Credit Approval Policy for Photovoltaic Industry*, the Bank clearly identifies whether projects involve ecologically sensitive areas, taking such involvement as a decisive factor for rejecting financing access. For the photovoltaic projects involved, it requires clients to submit environmental impact assessment documents of relevant projects and verify their compliance. Additionally, for existing projects, post-loan management with timely checks on land

and environmental permits must be conducted to prevent suspension, demolition, or disconnection from the grid due to ecological concerns.

## **2.4 Mining**

The Bank pays close attention to external policies related to the mining industry. It timely adjusts credit approval strategies in response to external policies, and scientifically evaluates mining companies' transformation efforts in green clean energy and efficient, smart mining. In addition, the Bank also focuses on supporting mining companies that have demonstrated clear benefits in transitioning to green clean energy, and closely monitors those with safety hazards in production.

Key focus of credit review include: consideration of the investments and transformation efforts of coal mining companies in green clean energy sources such as photovoltaics, wind power and nuclear power; whether there are production safety hazards; whether new capacity additions comply with national policy requirements; and whether existing capacity is being fully utilized.

## **2.5 Oil and gas**

The Bank pays close attention to and actively identifies ESG risks involved in projects related to the petrochemical industry. Based on the *Catalogue for Guiding Industry Restructuring (2024 Version)*, the *Work Plan for Ensuring the Stable Growth of the Petrochemical and Chemical Industry*, and other policy documents, the Bank formulated the *Bank of Nanjing Guidelines on Credit Approval Policy for Petrochemical Industry*, to assess the significance level of relevant risks and the degree of impact on credit risk. The Bank engages with relevant companies in petrochemical industry on the premise of compliance with the law. It formulated strategies of prohibited involvement, capacity reduction and withdrawal for enterprises and projects with potential safety hazards, backward production capacity and overcapacity. The Bank has conducted field research and solicited opinions from key chemical industry parks and representative chemical enterprises within Jiangsu Province, actively participating in drafting the *Standard for Identification and Evaluation of Financing Entities in Chemical Industry Transformation*. To date, the Bank has successfully launched multiple green transformation loans in the chemical industry, vigorously supporting companies to achieve technological upgrading and sustainable development.

## **3. ESG due diligence**

The Bank has deeply embedded ESG risk management into every stage of the credit process, including investigation, assessment, approval, disbursement, and post-loan monitoring, which ensures comprehensive coverage across pre-loan, in-process, and post-loan stages. Through systematic and standardized management mechanisms, we promote the deep integration of ESG principles with credit management, effectively strengthening ESG risk management in financing and investment activities.

### **3.1 Top-level design**

The Bank's *Management Measures for Customers' Environmental, Social and Governance (ESG) Risks (Trial)* explicitly require operational units to conduct differentiated ESG risk due diligence for financing and investment businesses of various types, including corporate traditional loan services, project financing, and investment banking, based on customer or project categories. Operating units shall formulate and include their ESG risk due diligence opinions on customers or projects in the investigation reports, based on the findings.

Additionally, the Bank's *Pre-credit Due Diligence Management Measures for Large, Medium and*

*Small Corporate Customers* further detail ESG risk investigation criteria for enterprise financing. These criteria systematically cover key dimensions such as environmental assessment ratings, operational status, judicial litigation, negative public sentiment, and inclusion in untrustworthy entity lists, thereby enhancing systematic identification of ESG risks.

### **3.2 Work requirements**

- For general customers, it is necessary to collect corresponding compliance documents to ensure that due diligence is comprehensive, thorough, and meticulous, and that the customer's submitted materials and related procedures are compliant, valid, and complete. Specifically for domestic customers, an effective comparison must be made between the ESG risk information provided by the customer and ESG risk information obtained from multiple other sources (e.g., regulatory authorities, industry associations, credit reporting entities, regulatory bodies, media outlets, and the general public) to accurately assess the ESG risks faced by the customer. When necessary, qualified independent third-party entities or relevant regulatory authorities may be engaged to provide professional support and verification, thereby enhancing the objectivity and authority of the assessment.
- For customers planning to apply for domestic fixed asset loans under a credit facility, their projects must comply with national regulations regarding industries, land use, environmental protection, and other relevant laws. They must also follow legally mandated management procedures for fixed asset investment projects, submit feasibility study reports, and provide explicit approval documents from the urban planning, land resources management and environmental protection departments regarding urban planning alignment, project land use, and environmental impact assessments, along with other documents required by applicable laws and regulations.
- For corporate customers with significant environmental, safety violations or major ESG risks, prompt the customer to submit supporting documents demonstrating their rectification and implementation measures. For sectors where national regulations mandate energy efficiency, water conservation, emissions reduction, environmental protection or safety compliance, focus on verifying whether the customer has implemented effective measures and provided verifiable evidence. Ensure that corrective actions are genuine, traceable, and capable of effectively preventing the continuous expansion of risk exposure.
- For corporate customers engaged solely in financial market activities such as bond investments, the Bank requires operating units to comprehensively collect and reconcile customers' ESG risk information through multiple channels, including government authorities, industry associations, credit reporting entities, regulatory bodies, media disclosures, and public feedback, ensuring the completeness and accuracy of risk identification.
- For green financial bond projects, in light of the characteristics of green industry initiatives, intensify on-site visits and field verifications. While monitoring the customer's operational dynamics and credit status, special attention should be given to the project's environmental impact. Active tracking of project progress is essential to prudently assess the realization of environmental benefits and identify potential environmental or social events that could significantly affect the customer's debt repayment capacity. It is explicitly required that bond

proceeds shall not be used to invest in high-pollution, high-energy-consuming or overcapacity projects or customers.

### **3.3 Integration of ESG factors into customer credit ratings**

Based on in-depth analysis of historical risk data, the Bank studies the correlation between ESG rating metrics and credit risks, incorporating key ESG factors that significantly impact credit risk into the customer credit rating model. For example, in the “Industry Outlook”, it is necessary to assess whether the customer’s core business aligns with categories defined in national industry restructuring policies and the Bank’s credit policy in order to determine whether the industry is classified as encouraged, restricted, or phased-out; and under the “Core Management Stability”, the evaluation focuses on the customer’s corporate governance structure, including whether robust internal governance mechanisms, HR management systems, and financial frameworks have been established. In addition, the Bank conducts regular re-assessments of customers’ ESG risk levels. Depending on whether the ESG risk classification of a customer has upgraded or downgraded, targeted and differentiated risk management measures are applied to strengthen the overall management of customer ESG risks.

### **3.4 Trigger factors and risk escalation process**

The Bank regularly conducts ESG risk factor assessments and due diligence in investment and financing businesses, regularly reclassifies and reassesses the ESG risk levels of customers, and based on the results of the assessment upgrades, downgrades or maintains the level of ESG risk, and accordingly adopts differentiated risk management strategies to deepen ESG risk mitigation measures.

#### **Classification standard**

The Bank classifies ESG risk assessment results for corporate customers into three categories: A, B and C as follows:

- Category A: The customer’s construction, production or operational activities may cause potential significant adverse impacts on the environment or society, or whose activities involve multiple, irreversible, and unprecedented negative effects, indicating a high risk;
- Category B: The customer’s activities may result in limited and fewer adverse impacts on the environment or society, with most impacts being reversible and capable of being eliminated through effective mitigation measures;
- Category C: The customer’s construction, production or operational activities have minimal or no significant adverse impacts on the environment or society. This category of customers represents relatively strong ESG performance or no significant risks, encompassing all remaining customers outside of Categories A and B.

Building upon the categories above, the Bank further classifies risk levels dynamically by incorporating the presence and severity of major negative events, such as environmental administrative penalties and workplace safety incidents:

- Category A: Initially categorized as medium-risk by default. If the customer has severe environmental penalties, major workplace safety incidents, or other material ESG violations, the risk level must be upgraded to high-risk.
- Category B: Initially categorized as low-risk by default. If the customer experiences severe

environmental penalties or major workplace safety incidents, the risk level must be reclassified as high-risk. If the customer has minor environmental penalties or general workplace safety incidents, the risk level must be elevated to medium-risk at minimum.

- **Category C:** Initially categorized as low-risk by default. If the customer encounters severe environmental penalties or major workplace safety incidents, the risk level must be adjusted to high-risk. If the customer has minor violations, the risk level must be upgraded to medium-risk at minimum.

### Triggers

The Bank has clarified the trigger factors for escalating ESG risk management in its *Management Measures for the Customers' Environmental, Social and Governance (ESG) Risks (Trial)*, primarily focusing on whether environmental penalties or production safety accidents exist. Specific scenarios are as follows:

- **Serious environmental protection penalties:** A single environmental administrative penalty within the past year exceeds 1% of the company's registered capital, or the cumulative environmental administrative penalties within the past year exceed 5% of the registered capital.
- **General environmental protection penalties:** The cumulative environmental administrative penalties within the past year exceed 1% but do not reach 5% of the company's registered capital.
- **Major production safety accidents:** The accidents occurring during production or business operations involve 10 or more deaths (inclusive), 50 or more serious injuries (inclusive), or direct economic losses of RMB50 million or more (inclusive).
- **Other production safety accidents:** All types of accidents resulting in personal injuries or direct economic losses during production activities, excluding the aforementioned major production safety accidents.

### Risk escalation management

The Bank has clearly defined the process for classifying customers' ESG risks and implemented upgrade assessments in cases of ESG risk escalation. Specific procedures are as follows:

- For Category A: The branch's customer management department must submit relevant materials to the Head Office's customer management department, where the risk level will be further assessed as either high risk or medium risk;
- For Category B and Category C: The branch's customer management department may independently complete the final risk rating.

In cases where project circumstances are complex or the severity is difficult to determine, the relevant customer management departments at the Head Office may seek investigations by qualified and independent third parties or engage professional entities for support.

Additionally, the Bank has established corresponding management measures for different ESG risk levels:

- For customers categorized as high or medium ESG risk, the Head Office customer management department must issue written review opinions detailing and evaluating the customer's (or project's) potential ESG risk areas, implemented risk management measures,

and current risk status;

- For high-risk customers, in addition to signing standard contracts, the Bank requires them to sign an *ESG Risk Management Enhancement Statement*, committing to continuously improving internal ESG management systems, cooperate with the Bank's ESG risk assessments and inspections, and implement timely control and remedial actions when challenged;
- For corporate customers with significant ESG risks, the Bank applies list-based management. This list primarily includes: companies identified by national or local authorities for major environmental or safety violations, and other customers deemed by the Bank to require heightened ESG risk monitoring. For customers on this list, the Bank mandates targeted risk mitigation measures.

### **Illustrative ESG due diligence**

#### **Case 1**

The Bank provided transition finance loan support to a chemical enterprise. The company operates in the chemical reagents and additives manufacturing sector, which has a high carbon intensity and is a key focus area for transition finance. During the initial marketing phase, the Bank learned that the company was actively advancing energy-saving and carbon-reduction technology upgrades, with projects primarily focused on optimizing production processes and upgrading energy-efficient equipment to improve energy efficiency and reduce emissions during manufacturing. In the due diligence phase, the Bank engaged a third-party assessment entity to verify the company's baseline carbon emission data, environmental impact assessment compliance, and pollution discharge permit implementation. The Bank also verified the company's environmental compliance record with local ecological and environmental authorities, confirming that the company had no major environmental violations or penalties in the past two years. To support the company's carbon reduction goals, the Bank provided targeted "transition finance loan" funding to facilitate the company's green and low-carbon upgrade. This support helps guide the company to further increase investment in green technologies, accelerates its low-carbon transition, and promotes the transformation of traditional chemical manufacturing toward cleaner, more efficient operations.

#### **Case 2**

The Bank provided loan support for a company's cogeneration power plant project. The project plans to construct three high-temperature ultra-high-pressure circulating fluidized bed boilers, paired with two 30MW and one 60MW back-pressure steam turbine generator sets. It will also co-process industrial solid waste and process off-gas generated from fiber production. Auxiliary facilities to be built concurrently include an enclosed coal yard, limestone powder silo, and compressed air system. Upon commissioning, the project is expected to consume 600,000 tons of raw coal and 190,000 tons of biomass solid waste annually, generating 607.49 million kWh of electricity for external supply. The total annual comprehensive energy consumption will be 68,136 tons of standard coal equivalent, with a cogeneration thermal efficiency of 86%. The standard coal consumption rates for power



generation and heating will be 175 gce/kWh and 37.65 kgce/GJ, respectively. These energy efficiency indicators meet the Level 1 standards outlined in the Energy Efficiency and Consumption Limits for Cogeneration Plants and Calculation Methods, placing them at the forefront of domestic benchmarks.

Given the customer's proactive efforts in energy-saving and carbon reduction upgrades, its clean environmental compliance record over the past two years, and its alignment with initiatives responding to the national "dual carbon" strategy, the Bank, serving as lead arranger, successfully formed a large syndicated loan facility to provide robust financial support for the company's green and low-carbon transformation.

## **4. Climate-related risks and opportunities management**

### **4.1 Top-level design for climate-related matters**

The Bank sets out clearly that the Board of Directors is ultimately responsible for ESG risk management (including climate-related risks and opportunities) and comprehensively leading the top-level design of green finance development and sustainable strategies.

In 2024, the Board approved the *Bank of Nanjing Green Finance Strategic Development Plan (2024–2028)*, which outlines six overarching strategic objectives. Among these, "strengthening environmental, climate and ESG risk management" is explicitly designated as a core goal. The plan further details short-term, medium-term and long-term phased development targets. Additionally, the plan deploys key tasks, such as "improving the institutional framework for ESG risk management", providing strategic guidance for the institutionalized and systematic advancement of ESG risk governance.

In 2025, the 9th Meeting of the 10th Board of Directors approved the *Environmental, Social, and Governance Risk Management Policy of Bank of Nanjing*, marking a substantive institutional breakthrough in the ESG risk management framework. The Board of Directors Strategy and ESG Committee reviewed and deliberated the *2024 Annual Implementation Report on Green Finance of Bank of Nanjing*. The report focused on the current landscape and challenges of ESG risk management, clarified the overall direction, phased objectives and implementation pathways for improving the institutional system in the next stage, and preliminarily established the framework of the Bank's ESG risk management system.

Members of the Bank's Board of Directors possess extensive expertise in climate-related risk management. For details, please refer to the "Expertise of directors" section under the "Governance" chapter. Further information on the Board's fulfillment of supervisory responsibilities regarding climate-related risks and opportunities is provided in the "Performance of ESG-related responsibilities" section under the "Governance" chapter.

### **4.2 Climate-related risk analysis**

The Bank actively identifies environmental and climate risks, integrates climate change risk factors into the traditional risk control framework. It systematically assesses the comprehensive impact of these risks on business models, operational strategies, and financial performance, and develops tailored response strategies to ensure business resilience and long-term sustainability. Examples of major environmental and climate risks identified by the Bank, along with corresponding mitigation measures, include the following:

<b>Credit risk</b>	
Climate risk factor	<p>Transition risks: Policy, technological and market shifts driven by the transition to a low-carbon economy, including climate policies (e.g., carbon taxes, carbon trading), phasing out outdated production capacity, and upgrading technologies;</p> <p>Physical risks: Extreme weather events (e.g., natural disasters) and chronic climate stresses caused by climate change.</p>
Business involved	Investment and financing activities
Major impact	<p>Enterprises may face rising operational costs, which could undermine their repayment capacity;</p> <p>Green technology advancements may render assets of companies relying on traditional processes obsolete ahead of schedule, leading to significant value depreciation and increasing the risk of collateral inadequacy.</p>
Degree of impact	Depending on specific industry and business.
Response measures	<p>Conduct regular climate risk stress tests. Simulate changes in specific sectors or overall asset quality under different climate scenarios (e.g., sharp increases in carbon prices) using scenario analysis and modeling, and apply stress test results to decision-making;</p> <p>Take a comprehensive and coordinated approach to transition finance. While refining risk controls for existing high-carbon industries, establish a policy framework to promote transition finance, develop a multi-layered evaluation and certification system for transition finance, and diversify transition finance product and service offerings.</p>

<b>Market risk</b>	
Climate risk factor	<p>Changes in investor preferences and investment behaviors;</p> <p>Fluctuations in yields on green financial bonds issued by commercial or policy banks.</p>
Business involved	<p>Industries that have been included in the carbon trading market;</p> <p>Investment activities involving green financial bonds.</p>
Major impact	<p>Risk of customer loss, decline in product and service demand, if green products are not developed in a timely manner;</p> <p>Increased credit spread risk if debtors in carbon-intensive sectors face higher default probabilities due to deteriorating profitability;</p> <p>Greater yield volatility in green financial bonds due to shifts in supply dynamics.</p>
Degree of impact	Depending on specific industry and business.

Response measures	Develop products and services that meet the low-carbon and environmental protection demands of customers and consumers in a timely manner; Enhance monitoring of green financial bond yield volatility and manage interest rate risks.
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### 4.3 Climate transition risk stress testing

In 2025, the Bank conducted a transition risk stress testing referencing the climate risk sensitivity stress testing framework of the People’s Bank of China. The testing incorporated carbon pricing as a stress scenario factor to assess changes in credit risk levels for its exposure to eight carbon-intensive industries: power generation, steel, building materials, petrochemicals, chemicals, papermaking, civil aviation, and non-ferrous metal smelting.

The Bank’s transition risk stress test used the end of 2024 as the baseline period, with a six-year testing horizon (2025–2030). The stress metrics were calculated based on a semi-static enterprise balance sheet and income statement structure, covering key indicators such as operating expenses, total profit, net profit, and accounts on the asset-side and equity-side of financial statements.

## (II) Green finance development

From 2012 onwards, the Bank has embarked on its journey to green finance. Following over a decade of elaborate development, the Bank has cultivated the “Xindong Green” brand covering product and service offerings such as general-type, characteristic, investment banking, carbon finance, bank-government collaboration, monetary policy tools, and green + specialized service solutions. Among the first of their kind in China’s banking industry are carbon performance-linked loan, water conservation-linked loan, performance-linked loan, shipping transition-linked finance loan, and sustainability-linked loan, cementing the Bank’s leading position in innovation of green finance products.

### 1. Green credit

The Bank further deepens sustainability-related finance loan business and product innovation. As of the end of the first half of 2025, the net interest income from green loans accounted for 16.68% of the Bank’s operating income. As of the end of the third quarter of 2025, the on-balance-sheet amount of the Bank’s green finance loans was RMB268,936 million, an increase of RMB66,779 million or 33.03% from the beginning of the year.

#### **Case: Innovatively launching “Eco-loan”, the first green financial product in Nanjing**

The Bank’s Jiangbei New Area Branch signed a strategic cooperation agreement for “Eco-loan” with the Nanjing Pukou District Ecological Environment Bureau. This marks the first collaboration of among government, banks and enterprises focusing on green finance. As a localized and distinctive green finance product launched by the Bank and the Nanjing Pukou Ecological Environment Bureau, “Eco-Loan” is anchored to fields such as energy conservation and environmental protection, clean energy, and ecological restoration. With “Eco-Loan”, the Bank leverages financial technology tools, including big data, enterprise environmental benefits analysis, and carbon accounting, to tailor financial products and service solutions for environmental enterprises, and help address financing challenges.

The product innovatively introduces an environmental credit evaluation mechanism. It confers interest rate discounts to enterprises rated as environmental model enterprises, and features

characteristic financing models such as pledge of carbon emission permit and mortgage of pollution discharge permit, to reduce enterprises' financing costs while incentivizing green development. As a branch with green finance characteristics, the Bank of Nanjing, Jiangbei New Area Branch will actively create a financial model of “ecological value conversion” by establishing dedicated credit lines with favorite interest rates and green channel of approval.

## **2. Green bond**

### **2.1 Green bond issuance**

The Bank actively issues green and ESG themed bonds and increases support for green projects. As of the end of the third quarter of 2025, the Bank had accumulatively issued RMB25 billion of green bonds.

#### **Case: Successfully issuing the first order of green finance bonds aligning with the *Multi-jurisdiction Common Ground Taxonomy* in China**

In June 2025, the Bank successfully issued the first order of green finance bonds aligning with the *Multi-jurisdiction Common Ground Taxonomy* in China, with an amount of RMB10 billion at a coupon rate of 1.69% and a term of three years. The proceeds from such innovative bonds will be allocated to green projects, and preferably invested in green industry projects under the *Multi-jurisdiction Common Ground Taxonomy* and green manufacturing projects supporting low-carbon development, notably in key areas such as the green transformation of traditional industries, the clean energy industry, and emerging green industries.

### **2.2 Green bond underwriting**

In the first three quarters of 2025, the Bank participated in the underwriting of 22 tranches of domestic green debt financing instruments, driving an issuance scale equivalent to RMB16,741 million, which comprised two bonds, a tri-labelled “carbon neutrality bonds” + “rural revitalization” + “sci-tech innovation note” medium-term note, and a tri-labelled “carbon neutrality bonds” + “specialized rural revitalization” + “sustainability-linked bonds” medium-term note. By establishing a diversified innovative product framework and enhancing the marketing of projects related to green, carbon neutrality, and sustainability bonds, the Bank further enhances its capabilities of research and innovation in green bond underwriting, to implement key innovation projects.

### **2.3 Green bond investment**

The Bank actively serves the national strategy, inclines resources to key areas that contribute to the green and sustainable development of the real economy and excellent issuers with preferable ESG performance. As of the end of the third quarter of 2025, more than 100 ESG bond investments , including more than 90 existing green bond investments, had been made. The scale of funds invested in the ESG field was nearly RMB15 billion, including funds invested in the green field of nearly RMB13.5 billion.

### **2.4 Green bond targets**

The Bank increases its support in green bond issuance and investment. It formulates the *Bank of*

*Nanjing Green Finance Strategic Development Plan*, which clarifies growth targets for balance and proportion of green bond portfolios, i.e., striving to achieve a growth rate of green bond holdings of more than 100% by the end of 2028 over the end of 2023.

## **2.5 Green bond design and consulting**

The Bank actively coordinates with its customers on green bond business and provides related consulting services and guidance. During such coordination, the Bank patiently interprets policies and products for customers and coaches customers on compliant use of raised funds, thereby helping enterprises with green transformation and sustainable development.

## **3. Green funds**

Xinyuan Asset Management has successfully issued one ESG-themed fund product – “Xinyuan Clean Energy Industry Hybrid Initiated Securities Investment Fund”. The Fund is focused on sectors directly involved in clean energy production and operation, as well as fields dedicated to clean and efficient energy utilization. The investment covers upstream, midstream, and downstream high-quality enterprises along the clean energy industry chain. As of the end of the third quarter of 2025, the Fund had RMB84,208,800 under management, demonstrating strong market acceptance and growth potential.

## **4. Green investment**

Xinyuan Asset Management consistently advances green investment. As of the end of the third quarter of 2025, the cumulative investment in clean energy, energy conservation and environmental protection, clean production, green upgrading of infrastructures, ecological environment and green services made through equity investment had reached approximately RMB170 million.

Xinyuan Capital Management further expands the presence in the green industries of strategic significance through a model of “fund of funds + external managed fund investment”. In terms of external managed fund investment, Xinyuan Capital Management focuses on critical technology fields such as lithium battery industry chain and hydrogen energy. As of the end of the third quarter of 2025, the green finance projects invested with such external managed funds had exceeded RMB100 million in total. Through the comprehensive financial service model of “investment-loan combination” launched in collaboration with the Head Office and branches, Xinyuan Capital Management strongly supported the development of green industries.

Nanyin Wealth Management integrates the green factor into its investment decision framework. It prioritizes the onboarding of green assets, and continues to invest more assets in green finance sectors such as carbon peak, carbon neutrality, and ESG, to inject financial “vitality” into green economic development. As of the end of the third quarter of 2025, the assets invested in the green field amounted to RMB3,459 million.

## **5. Green wealth management**

Nanyin Wealth Management actively issues wealth management products (“WMPs”) with the green finance concept. As of the end of the third quarter of 2025, Nanyin Wealth Management had issued a total of four WMPs, with an amount of RMB3,758 million, centered on themes such as ESG and green finance. Specifically, the ESG-themed product amounted to RMB217 million, and the three green finance-themed products amounted to RMB3,541 million. In addition, Nanyin Wealth Management intensifies the issuance of WMPs themed on technology transformation and charity. As of

the end of the third quarter of 2025, Nanyin Wealth Management had issued three technology transformation-themed products and two charity-themed ones, amounting to RMB126 million and RMB2,271 million respectively.

## **6. Green consumption**

To actively respond to the national green development strategy, and to promote a green and low-carbon manner of production and living, Bon BNPP Consumer Finance launched the “Personal Carbon Account” feature, and integrated it into the APP platform. It increases consumer incentives by encouraging customers to carry out green behaviors to accumulate carbon credits in exchange for environment-friendly gifts, coupons, and green services. In addition, Bon BNPP Consumer Finance focuses on improving green consumption and residents’ quality of life by optimizing the use of consumer loans. By extending the use of “Chengyi Loan” product to include green consumption projects such as supporting environment-friendly decoration of new houses, renovation of old properties, age-friendly upgrading, purchase of energy-efficient household appliances, home renewal, and installation of elevators in aging residential buildings, Bon BNPP Consumer Finance encourages consumers to embrace the concept of green lifestyle while improving their living conditions. As of the end of the third quarter of 2025, this initiative had benefited nearly 3,000 customers, with new credit supply exceeding RMB300 million.

## **(III) Green and low-carbon operation**

The Bank complies with the requirements of the *Environmental Protection Law of the People’s Republic of China*, the *Energy Conservation Law of the People’s Republic of China*, the *Circular Economy Promotion Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and other laws and regulations. It effectively implements green and environmental protection and green operation, and promotes the integration of the green concept into the whole chain of operation. To continue to deepen the green and low-carbon transformation, and comprehensively advance the construction of the green and low-carbon operation system, the Bank has developed and implemented the *Bank of Nanjing Green Operation Strategic Development Plan*, clarifying the direction and priorities of green operation, and oversees the overall promotion of the implementation of energy conservation and emission reduction measures, with a view to driving the Bank’s green and low-carbon development in a scientific and effective manner.

### **1. Deepening the management of green office**

#### **1.1 Green office**

In response to the national policy of “Carbon Peak and Carbon Neutrality”, the Bank contributes to the goal of energy conservation and emission reduction by actively implementing green office practices, promoting paperless office, facilitating green meeting transformation, and practicing green commuting.

#### **● Promoting active implementation of paperless office**

The Bank regularly promotes energy conservation, emission reduction, and green and environmental protection by utilizing electronic display screens, and mobilizes the employees to actively participate in environmental protection campaigns. The Bank advocates paper saving and digital office practices, optimizes printing management processes, reduces the use of papers and

electronic consumables, to comprehensively promote the paperless and green office model.

- **Promoting the transformation to smart and efficient green meeting practices**

The Bank prioritizes online meetings such as video and telephone conferencing, rolls out the time-efficient meeting mechanism, and streamlines meeting processes. The Head Office's meeting rooms are equipped with video conferencing capabilities, and the branches actively install video conferencing equipment. Such video conferences may reduce cross-regional travel of attendants from different locations for meetings, effectively cutting carbon emissions from business trips.

- **Practicing green commuting by focusing on new energy official fleets**

The Bank integrates the green and low-carbon concept to the selection of official vehicle models which precisely align with usage needs, and dynamically manages the vehicle model pool in line with the development of the new energy vehicle market. By promoting the replacement with new energy vehicles systematically in line with the annual fleet renewal plan, the Bank significantly reduced 85% and 60% in terms of energy consumption cost and carbon emissions of the official fleets, respectively.

- **Optimizing the handling and recycling of wastes**

The Bank strengthens the management of wastes generated in the process of operation (food waste, domestic waste, electronic waste, etc.). The Head Office conducts onsite processing of food waste from the canteen, by converting organic wastes from the canteen to high-fertility resource products through the microbial food waste fermentation system. This effectively reduces waste transportation costs and environmental pollution.

## **1.2 Energy management**

Rooted on the concept of sustainable development, the Bank establishes a comprehensive energy management system, conducts diagnosis of building energy efficiency, pilots local supply of green electricity, optimizes the overall energy use structure, and implements the arrangements for energy conservation and consumption reduction.

- **Contributing to energy conservation and consumption reduction by strengthening the control over water and electricity consumption**

The Bank continues to strengthen the overall management of water and electricity consumption, and contributes to energy conservation, consumption reduction and office cost savings across the bank by deploying energy-efficient equipment, strengthening the management of electricity usage behaviors, and enhancing routine inspection. As of the end of the third quarter of 2025, the Bank's electricity consumption decreased by 2,836,700 KWh or 3.61% year-on-year, and water consumption decreased by 19,100 tons or 5.97% year-on-year.

- **Piloting to facilitate local supply of green electricity**

The Bank has completed the construction and grid connection of photovoltaic pilot projects at Taizhou Branch building and Liyuan North Road Branch in Nanjing, and achieved self-generation and self-consumption of green electricity, significantly reducing carbon emissions associated with electricity consumption in operations. The pilots have installed photovoltaic capacity totaling 270 kilowatts, generating approximately green electricity of 300,000 KWh and eliminating 190 tons of

carbon dioxide emissions per year.

- **Conducting building diagnosis to unlock the potential of energy conservation and carbon reduction**

The Bank conducts comprehensive diagnosis on energy consumption of buildings across the bank, and identifies the potential of energy conservation and consumption reduction, to provide strong support for optimizing energy management measures and evaluating the necessity of energy-saving retrofit, and progressively improve building energy efficiency across the bank.

- **Overall planning to optimize the Bank's energy use structure in a coordinated manner**

The Bank implements a systematic approach to advance the development of photovoltaic projects across the bank, systematically analyzes viable rooftop spaces, researches and demonstrates photovoltaic technologies compatible with buildings across the bank to precisely align technical solutions with available rooftop resources and energy demands. It develops customized plans to implement the construction of photovoltaic projects, to facilitate the Bank's construction and power generation of photovoltaic projects in a scientific and systematical manner, and gradually optimize the energy use structure.

## **2. Building a green and low-carbon bank**

### **2.1 Green outlets and green buildings**

The Bank has completed the construction of the "zero-carbon outlet" demonstration project in Jiangning District, Nanjing, which marks the first bank outlet that obtained the "Zero-Carbon Building" certification from the China Association of Building Energy Efficiency in China. Jointly developed with the Jiangning Economic and Technological Development Zone in Nanjing, which is among the first batch of national carbon peaking pilot parks, the outlet uses multiple zero-carbon technologies for zero-carbon emissions in operations without using the carbon offsetting mechanism or purchasing green electricity from external sources, establishing a new benchmark for green outlet construction in the banking industry.

The Bank practices the concept of green construction. It builds low-carbon and green buildings at green outlets by driving the innovation of energy supply, optimizing the thermal insulation design of buildings, improving the deployment of energy-efficient facilities, and establishing the smart monitoring system.

- **Facilitating emission reduction at source by selecting innovative construction materials**

The Bank applies prefabricated construction techniques and extensively uses prefabricated aluminum and steel panels to drive circular utilization of building materials. In addition, the Bank uses low-carbon and environment-friendly materials, including recyclable PET plastics, tea stem composite boards, and coffee grounds biocomposite panels, for production of the outlets' furniture, logos and signages. It calculates carbon footprint of furniture components precisely and employs carbon offsetting tools efficiently, to minimize environmental impact of outlet construction at source.

- **Optimizing design to improve thermal insulation performance of the buildings**



**significantly**

The Bank adopts high-performance building envelope design, and builds staggered external facade components that form self-shading structure based on solar trajectory analysis, effectively blocking thermal radiation and reducing energy demands of the outlets. The Bank also uses high-transmittance glass curtain walls to optimize operable window ratio to maximize natural ventilation and daylighting.

- **Pursuing energy innovation by developing photovoltaic projects to shift energy supply**

By maximizing deployment of monocrystalline silicon photovoltaic modules on rooftops, the Bank transforms buildings to efficient “power generation stations” and unlocks their spatial energy potential. The photovoltaic system generates approximately 100,000 KWh annually, fully satisfying outlets’ energy demands and supporting the achievement of “zero-carbon” goal.

- **Enhancing efficiency by selecting high-efficiency facilities and equipment in a scientifically manner**

The Bank fully utilizes high-efficiency air conditioning units, full-heat recovery central ventilation systems, LED lights, and water-saving fixtures, to significantly reduce the outlets’ energy consumption while maintaining optimal indoor comfort standards.

- **Implementing smart monitoring by digitally promoting full-process carbon control**

The Bank has established an outlet carbon emission monitoring platform to enable itemized metering and precise monitoring of the outlets’ energy consumption, comprehensively perceive the indoor environmental conditions, and provide decision support for energy management of buildings, significantly improving full-process carbon control and operational efficiency.

## **2.2 Green service**

Adhering to the “customer-centric” principle, the Bank focuses on customer needs and leverages digital channels to implement the concept of low-carbon practices. The Bank continues to improve online service experience by rolling out handy features such as transaction history inquiry, transaction record printing, and card replacement without changing account numbers. It has comprehensively upgraded the process of changing information in counter service agreements by eliminating paper applications to enable paperless transactions. These allow customers to receive banking services via the “Bank of Nanjing App” and the applet of WeChat, and reduce travel frequency and the use of paper certificates. In this way, the Bank has effectively lowered carbon emissions and supported the development of green finance.

## **3. Implementing the concept of green development**

The Bank advances volunteer services on a regular basis. It established the “Green Vanguard” volunteer service team. At the grassroots level, the Communist Youth League organizations leverage the team to carry out the “Four Entries” campaigns (entering industrial parks, entering enterprises, entering communities, and entering schools) effectively, promotes the concepts of green, low-carbon, energy conservation and environmental protection to the frontline, and actively disseminates environmental public welfare knowledge. By integrating green finance empowerment with public

welfare practices, the Bank continues to fulfill its social responsibilities, promotes green and low-carbon transformation and upgrading, providing financial support for building a beautiful China. In addition, the Bank organizes a wide range of diverse volunteer service activities including voluntary tree planting, protection of mother river, World Earth Day activities, International Day for Biological Diversity activities and environment clean-up events, to actively promote ecological civilization concepts and convey green development principles through green public welfare actions. In March 2025, the Head Office conducted its “Planting Green, Embracing Spring” tree-planting event at the Science and Education Innovation Park Phase II, where participants wrote “messages for greening” on sapling tags, demonstrating our concrete commitment to preserving ecological landscapes.

#### **4. Promoting the goal of green environment**

The Bank has integrated the green and low-carbon concept into its entire operational chain systematically from procurement through office and commuting to energy conservation and consumption reduction. It promotes paperless office, optimizes energy management, implements fine control over water and electricity consumption, and facilitates photovoltaic application and green building retrofit. The Bank implements the national strategic goals of “Carbon Peak and Carbon Neutrality”. It has strengthened the management of emission reduction, energy conservation, waste reduction, and water conservation, and dynamically evaluates the effect to optimize the approach. For the Bank’s environmental performance indicators, refer to the *Bank of Nanjing 2024 Sustainability Report*.

### **IV. Social**

#### **(I) Human capital development**

The Bank has thoroughly implemented the spirit of the Central Financial Work Conference, persisted in effectively advancing the “Five Major Areas of Finance”, namely technology finance, green finance, inclusive finance, pension finance, and digital finance, continuously strengthening and promoting its five core brand identities, including innovation-driven banking, investment banking, wealth management banking, trade banking, and digital banking and steadily advancing high-quality development. The Bank takes serving strategic implementation, supporting business development, and fostering talent growth as its goals, and, guided by the educational mission of “stimulating ideas and uniting strength”, continuously explores innovative approaches to employee training and development. It has established a systematic, lifecycle-based talent development framework, implementing differentiated cultivating strategies tailored to various career stages, providing precise empowerment across employees’ growth journey. The Bank actively promotes integration between talent cultivation and business development, continuously empowering employee growth.

##### **1. Equal and diverse hiring**

The Bank proactively fulfils its social responsibility as a state-owned financial institution, firmly implementing the “stabilizing employment, ensuring employment” deployment decisions of the Central Committee of the CPC, the State Council, and provincial and municipal authorities. Upholding the talent philosophy of “career attracts talent, effort shapes the future”, and adhering to the recruitment principles of “fairness, equity, position-talent alignment, merit-based selection, and risk prevention”, the Bank has built an equal and diverse hiring system through channels such as university-enterprise cooperation and social talent attraction.

The Bank strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Provisions on Prohibition of Child Labor*, and other relevant laws and regulations, strengthens the building of labor employment rules and systems, adopts the labor contract system for all employees, bans all forms of child labor and forced labor, and safeguards laborers' legitimate rights and interests, to make sure that employees achieve career development in an equal and fair working environment. In accordance with national laws and regulations, the Bank has formulated the *Labor Contract Management Measures of Bank of Nanjing* and the *Interim Measures for the Management of Recruitment at Bank of Nanjing (Trial)*, clearly stipulating the prohibition of employment discrimination, false publicity, privacy violations, and unreasonable fees, strictly complying with all regulatory requirements at national, provincial, and municipal levels. It treats individuals equally regardless of ethnicity, gender, religious belief, or cultural background, firmly safeguarding employment fairness and fully protecting the legitimate rights and interests of employees.

### **1.1 Diversified campus recruitment**

The Bank organizes annual campus recruitment targeting graduates from universities at home and abroad, offering diverse job opportunities across different institutions and academic disciplines. It engages directly with graduates through organized lectures, job fairs, and other activities, to achieve efficient and precise matching between candidates and positions. As of the end of the third quarter of 2025, the Bank held 12 specialized campus lectures and 21 job fairs. It actively participates in university open days, serves as judges in university career guidance competitions, and engages in university-enterprise collaboration exchanges, providing graduates with resume coaching, career advice, and professional planning guidance to support high-quality, full employment for university graduates.

### **1.2 Fair social recruitment**

The Bank continues to expand social recruitment opportunities, providing equal employment opportunities across different professional backgrounds, geographical regions, institutions, and business fields, thereby strengthening the talent reserve essential for the Bank's overall strategic development.

### **1.3 Diversified employee development**

The Bank attaches great importance to diversified employee development, establishing a comprehensive position system with four major categories including management, professional technology, marketing, and service, comprising 44 distinct job sequences. It has created a dual-track "Y-shaped" management development path, enabling vertical promotion and lateral mobility within roles, empowering employees to realize their personal value in an inclusive, equitable, open, and harmonious work environment.

**The number of employees hired by the Bank by employment type was as follows:**

	<b>30 September 2025</b>	<b>31 December 2024</b>
Employees	14,344	14,375
Workers dispatched from labor leasing companies	490	710
Part-time employees	0	0

## **1.4 Recognized employer of choice**

The Bank places high priority on employer brand building, constructing a full-process, digitalized, automated, and intelligent recruitment ecosystem. Through extensive, in-depth, and public-spirited branding initiatives, the Bank has earned widespread recognition and praise from society. As a representative of a leading enterprise, it was invited to participate in CETV program *One Job for You* and the online live-streaming event *Connecting with Delegates and Committee Members: Helping College Graduates Secure Quality Jobs*. The Bank has received numerous accolades from universities such as Nanjing University, including “Most Popular Employer Among Graduates”, “Best Strategic Employment Partner for Graduates Employment”, “Excellent Employment and Entrepreneurship Base”, “High-Quality Employment and Entrepreneurship Base”, and “Best Employment Partner”. Additionally, it has been honored with awards from authoritative institutions such as “China’s Most Loved Employer by College Students”, “Outstanding Example in Talent Management”, “Excellence Award in Human Resources Management”, “Best Practice in R-Tech Recruitment Technology”, and “Pioneer Model Enterprise”. The Bank has also become an official participant in the “Green Lime Practice and Immersive Classroom” initiative led by the Office of the Financial Work Commission of the CPC Nanjing Municipal Committee and the Youth League Committee.

The Bank continuously optimizes the employee recruitment management process, and actively simplifies job application procedures to make job application and employment easier. The Bank constantly enhances the fine-grained and full-chain management capabilities of recruitment, builds a stable and orderly employment environment, and fosters an enabling atmosphere for employment. The Bank won the “China Best Employer Award 2024”, and was listed among “China Best Employers Nationwide Top 30”, and the “Forbes World’s Best Employers 2024” and other awards.

## **2. Talent development strategy**

### **2.1 Human capital insights**

The Bank conducts annual talent inventory and analysis covering personnel structure, team quality, talent mobility, and talent development. It has developed and launched talent analytics dashboards at both entity and business line levels, enabling real-time visualization and assessment of talent status across entities and line levels. These insights inform targeted adjustments to talent development plans. Supported by robust management systems, the Bank makes analysis on personnel attrition to continuously enhance team stability. As of the end of the third quarter of 2025, approximately 360 employees have left the Head Office.

### **2.2 Talent development plan**

The Bank attaches great importance to talent development, clearly outlining in its *2024-2028 Strategic Plan* the requirements to “renew team capabilities in alignment with strategic transformation”, promoting the talent philosophy of “career attracts talent, effort shapes the future”. It has established a sound human resources management system, actively cultivating a high-caliber, specialized cadre and workforce. Under the guidance of the overall strategic plan, the Bank closely aligns with the deployment of the “Five Major Areas of Finance”, namely technology finance, green finance, inclusive finance, pension finance, and digital finance, adopting a strategic orientation focused on value creation. It has developed differentiated incentive mechanisms and a tiered, categorized cultivation system.

In 2025, the Bank fully advanced key projects including the optimization of the job sequence

system, standardization of customer manager management, and the establishment of a systematic “talent production line”, all aimed at supporting strategic execution and high-quality business development.

<b>Talent development strategy plan</b>	
<b>Optimization of job sequence system</b>	<ul style="list-style-type: none"> <li>Optimize the bank-wide job sequence structure in alignment with work characteristics, and establish a differentiated grading system, promotion mechanisms, and staffing ratios guided by strategic value orientation, professional competency intensity, and talent competitiveness strategies, directing resources toward specialized talents in technology, risk management, approval, and product development.</li> <li>Develop an expert-level management mechanism, forming a professional talent pipeline of “apprentice - junior - intermediate - senior - veteran - expert”, enabling bidirectional mobility between professional and management tracks.</li> </ul>
<b>Standardization of customer manager management</b>	<ul style="list-style-type: none"> <li>Fully implement team development planning for both direct customer-facing and indirect service teams. Improve performance evaluation and incentive policies, optimize marketing team configuration, and maximize customer manager effectiveness.</li> </ul>
<b>Systematization of the talent production line</b>	<ul style="list-style-type: none"> <li>Tailor cultivation models to different stages of employees’ career development based on their career development cycles, building a comprehensive, end-to-end talent production line across the Bank.</li> <li>Accelerate the reconstruction of frontline cadre and staff capabilities, targeting the goal of “training for immediate readiness”, and designing a “Five Camps and Four Teams” talent development system.</li> </ul>

## 2.3 Building of specialized talent teams

### ● Diversified talent acquisition

Under the guidance of the bank-wide strategic vision of “becoming a domestic top-tier regional integrated financial services provider”, the Bank focuses its talent acquisition on key areas such as green finance, retail finance, financial markets, risk measurement, and information technology. While continuing to strengthen its traditional strengths in economics and finance, the Bank is intensifying recruitment efforts for technical and engineering talents.

The Bank established special positions such as Information Technology, Digital Banking, and Technical Manager Trainees in campus recruitment to attract outstanding graduates in computer science, electronic information, and mathematical statistics. In social recruitment, the Bank launched targeted talent acquisition initiatives for roles including Green Finance Researcher, Green Operations Manager, and long-term positions in the Head Office’s Information Technology Department and Digital Banking Management Department. These efforts systematically expand the pool of multidisciplinary technology talents, enhance the recruitment of high-level talents, enrich and optimize internal job and professional

structures, and provide diversified talent support for the Bank's high-quality development.

- **Qualification management system**

The Bank has established a comprehensive qualification management system covering all job sequences. It conducts annual qualification assessments and annual inspections to continuously enhance employees' professional skills and competencies.

During the qualification assessment, leading departments for each job sequence are responsible for annually establishing and updating professional learning systems, developing and maintaining knowledge question pools, organizing professional certification exams, designing specialized curriculum systems, and delivering training to relevant employees. The assessment methods for each level, ranging from internal exams and external certifications to professional reviews, are precisely defined to accurately evaluate employees' professional capabilities. As of the end of the third quarter of 2025, over 5,000 employees have obtained new qualifications.

In the annual inspection process, leading departments develop and refine continuing education courses for their respective job sequences, organizing training and learning through online courses, intensive in-person sessions, and special assessments. As of the end of the third quarter of 2025, the Bank has organized 26,240 personnel participation in annual qualification inspections.

### **3. Ensure smooth career development**

#### **3.1 Establish the training and development system**

Guided by the talent philosophy of "attracting talents through shared aspirations and achieving future success through persistent effort", the Bank continuously enhances its talent management capabilities, improves the talent training and development system to meet the evolving needs of strategic business development. The Bank has established inclusive career development system and dual career framework, alongside an employee training system spanning the entire career cycle, to fully empower employee growth.

- **All-position employee development system**

The Bank has established a career development system that covers all positions and all employees. The system features clearly defined, scientifically assessed job qualification standards and a layered promotion mechanism. This robust system helps employees understand their career development, positioning, future development directions and requirements. The Bank has established a dual-track "Y-shaped" management development path, offering employees diversified career progression opportunities, to meet needs for vertical advancement within their sequence and horizontal development across different sequences.

- **Full-cycle employee training system**

Aligned with the career development cycle, the Bank has implemented differentiated and targeted training at each stage. This is supported by mechanisms for multi-position job rotations and exchanges, a structured mentorship program, as well as talent selection and reserve, and early-stage training initiatives. The Bank employs multiple measures and approaches in employee training to enhance its quality and effectiveness.

- **Annual employee training plan**

The Bank attaches great importance to the formulation and implementation of the annual employee training plan. Based on key operation priorities and the actual conditions of talent teams, the Bank has formulated and implemented training policies including the *Administrative Measures for the Professional Sequence Learning Contribution Points of Bank of Nanjing*, the *Administrative Measures for Online Learning Platform of Bank of Nanjing*, the *Administrative Measures for Internal Lecturers of Bank of Nanjing*, the *Administrative Measures for Bank Members Learning and Training of Bank of Nanjing*, and the *Interim Administrative Measures for Cadre Training of Bank of Nanjing*. The Bank has formulated annual training plans that focus on business scenarios, strengthened internal learning resource development, continuously enhanced the quality and effectiveness of training, and improved the capabilities of frontline staff and managers.

The Bank deepens the construction of the “Three Core Pillars”, and establishes the “Five Camps and Four Teams” training system, to drive the deeper integration between talent development and business operations. By developing “Core courses”, “Core learning materials”, and “Core faculty teams”, the Bank provides all employees with systematic, professional, and highly targeted learning resources, empowering employees to enhance their professional capacity and comprehensive quality. Following the development path for the Academy’s “Three Core Pillars”, the Bank has selected 42 “Core courses”, 9 sets of “Core learning Materials”, and 146 “Core faculty teams” for Academy of the Bank of Nanjing in 2024. The Bank continuously strengthens the knowledge management foundation and contributes intellectual strength to high-quality development in the new era.

The Bank has established a bank-wide talent pipeline for all employees. The initiative is customer-centric, enabling tiered training, focuses on scenario-driven strategies, combines training and combat, utilizes digital training methods and enhances cross-functional collaboration. The Bank continuously refines management mechanism, accelerating the development of the customer manager team to build a talent hub that meets the requirements of high-quality development in the new era. Tailored to diverse talents and objectives, the Bank has designed Five Camps, including “New Recruits Camp”, “Training and Combat Camp”, “Elite Camp”, “Capacity Enhancement Camp”, and “Specialized Expertise Camp” to proactively strengthen the bank-wide talent development pipeline. Simultaneously, to support and safeguard the talent pipeline development, the Bank has established “Four Teams”, including “Lecturer Team”, “Mentor Team”, “Supervision Team”, and “Frontline Management Team”.

Five Camps – the Talent Development Pipeline		
Model	Participants	Objectives
New Recruits Camp	Employees aspiring to join the marketing sequence	<ul style="list-style-type: none"> <li>• “Four Understandings”: Understand the workplace, understand the banking operations, understand business functions, and understand risks.</li> <li>• Enhance the foundational comprehensive competencies of manager candidates.</li> </ul>
Training and Combat Camp	New employees in the marketing line	<ul style="list-style-type: none"> <li>• “Two Comprehensions and Two Confidences”: Comprehend products and communications. Have confidence in customer visits and initiate sales conversations.</li> <li>• Rapidly enhances the role competency of marketing professionals through a closed-loop framework integrating “learning, practice, assessment, and combat”.</li> </ul>
Capacity Enhancement Camp	Underperforming employees within specialized areas	<ul style="list-style-type: none"> <li>• “One Remediation and One Strengthening”: Remedy shortcoming and strengthen vulnerabilities.</li> <li>• Focus on targeted capabilities improvement for underperforming employees.</li> </ul>
Elite Camp	Key personnel within business lines	<ul style="list-style-type: none"> <li>• “One Extraction and One Refinement”: Extract expenses and refine successful methodologies.</li> <li>• Summarize experiences of high performers.</li> </ul>
Specialized Expertise Camp	Personnel for specific business, scenarios, regions and customer groups	<ul style="list-style-type: none"> <li>• “Two Knowledges and Two Learnings”: Know the strategy and learn from benchmarks, know the objectives and learn the tactics.</li> <li>• Conduct targeted trainings.</li> </ul>

### 3.2 Specific career development training plans

#### ● AI + Youth Research Society

The Head Office has launched the “AI + Youth Research Society” training program, with over 700 young talents from diverse business domains enrolling. The specialized training aims to continuously enhance the bank-wide understanding and application for large AI model scenarios. The training structured around “10 online and 5 in-person sessions”, equipped employees with foundational knowledge of large models, including core concepts and applications. By the end of the third quarter of 2025, the online courses recorded a total of 2,834 participants, with a completion rate of 84%. The in-person sessions adopted a dual-track model of “offline immersive learning + online interaction”, generating strong spillover effect for knowledge dissemination and effectively enhancing business personnel’s digital transformation capabilities and proficiency with intelligent tools.



## ● **Digital talent training**

The Bank strengthens the training of interdisciplinary talents with integrated expertise in business, technology, and data. The Bank carries out digital talent development to continuously expand its digital talent “pipeline”, employing multiple measures to enhance the Bank’s overall digital capabilities and advance the digital finance construction. The “Data Pioneer” training program has been implemented for three consecutive years. Adopting a hybrid training model combining online theory with offline practice to foster data-driven thinking and elevate employees’ proficiency in data tools. Cumulative enrollment over the past three years reached approximately 3,700 participants, and as of the end of October 2025, over 700 junior data analysts have been cultivated. In 2024, the “Data Elite” program was launched, where employees bring real business needs into the groups, fostering industry-academia integration. Through a comprehensive, one-on-one mentoring model, the program enhances participants’ capabilities in formulating data strategies. Based on training performance and project results, 47 mid-level data analysts were certified, 25 outstanding research projects were incubated, supplying frontline operations with experts processing practical data-driven mindset.

## ● **Specialized training in marketing positions**

The Bank’s marketing positions adhere to a customer-centric philosophy, leveraging the “Four Dimensions and Ten Competencies” model to establish a critical component of its talent development pipeline. Based on the four critical stages of the customer decision, forming purchase awareness, gathering solution information, evaluating alternatives, and experiencing collaboration—and through in-depth analysis of customer behavior, the Bank systematically develops ten core competencies in account managers. These include insight into market trends, customer profiling, target audience outreach, deep needs diagnosis, value creation, concern resolution, value retention, ecosystem co-creation, customer health monitoring, and digital-driven optimization. Through a standardized training framework of “Three Teachings, Three Inspections, Three Supports”, the Bank comprehensively empowers talent development: the Three Teachings focus on product knowledge, sales scripts, and sales techniques; the Three Inspections cover knowledge, scenarios, and practical application, forming a closed-loop assessment; the Three Supports leverage a product knowledge tree, simulated business systems, and a data dashboard, enabling seamless integration between learning and practical application.

The “Training and Combat Camp” is designed for frontline marketing personnel with their three years of employment. Adopting a “Learning, Practice, Assessment, and Combat” model, the Bank implements the “590” development program—five days of centralized training at the Head Office followed by 90 days of on-site practice at branch level—to comprehensively enhance their real-world capabilities. By the end of the third quarter of 2025, the “Training and Combat Camp” conducted 28 offline training sessions, covering 1,023 participants and achieving full coverage of target population. The Bank also organized 69 practical drills, engaged 144 internal lecturers in course delivery and involved 798 mentors providing branch-level coaching. These efforts have robustly supported the capability development of the marketing team.

## ● **Professional training for customer managers**

For customer managers, the Bank has implemented the “Seven Stars Training and Combat” model, anchored in customer needs and structured across seven dimensions: customer, product, sales techniques, customer managers, course practices, teaching formats, and faculty. By extracting best

practices, processes, and sales scripts from real-world cases, the model drives the integration of training with drills. The training assists new hires in transitioning from passive execution to proactive responsibility, accelerating their growth into independent customer managers with comprehensive capabilities. As of the end of the third quarter of 2025, the “Elite Camp” has been conducted for 10 sessions, with 29 high-frequency, critical, and easily learnable business scenarios. This effort has led to the development of the “1+N+X” training and operations framework, fully establishing a closed loop “Learning, Practice, Assessment, and Combat” system for customer managers and continuously enhance their practical capabilities.

- **Cadre research capability enhancement program**

The Bank focuses on strengthening its research capabilities. It invited external experts, scholars and industry leaders to conduct 20 thematic sessions titled “High-Quality Development Forum”, facilitating research and analysis of industry trends and sharing of best practices. The Bank also deployed the “Five Lectures” initiative, covering Party building, management, risk control, business and technology, thereby building a learning system that integrates “Party building guidance + Strategy decoding + Business empowerment”. Cadres at various levels are arranged to use the “Five Lectures” as a platform to focus on their primary responsibilities and core business, contemplate and plan for reform, development and stability, and promote deep learning, thinking and practice through instruction and practice-driven learning, clarifying goals.

- **Job level examination system for professional and technical positions**

In 2025, the Bank conducted the Professional Sequence Qualification Examination and the Credit Practitioner Qualification Examination, providing a solid foundation for talent selection and development as of the end of the third quarter of 2025, the Professional Sequence Qualification Examination covered 57 exams across 34 professional sequences, with a total of 2,863 participants.

### **3.3 Building a training and learning platform**

- **Digital training platform and management system**

The Talent Management Department of the Head Office has defined clear course and lecturer lists, while Knowledge-providing Departments have delivered standardized learning resources. A total of 38 courses covering products, sales scripts, and marketing techniques have been developed, and 147 lecturers have been certified. In response to the professional development needs of different positions, the Bank continuously updates the credit-bearing courses required for qualification attainment. As of 2025, 97 qualification learning maps have been launched. The Bank is continuously improving its knowledge management system, promoting knowledge retention and experience sharing.

- **Knowledge circulation platform “Ru He”**

Through deep integration with 28 core banking systems, the knowledge platform has been fully embedded into business workflows, enabling real-time issue identification, rapid expert localization, and immediate resolution of complex queries, significantly improving process efficiency. As of the end of the third quarter of 2025, the platform has accumulated 39,696 standardized knowledge entries, spanning 138 business categories. A total of 1,478 users from 54 branches have contributed 14,052 knowledge assets via the “Collective Upload” feature, and over 1.68 million user inquiries have been answered. The platform has also launched the “Product Knowledge Tree”, systematically reviewing 224

key products, enhancing the accessibility and efficiency of product knowledge acquisition for the marketing team.

- **Online learning platform operations**

As of the end of the third quarter of 2025, the Bank has pushed 1,545 online courses and 300 micro-learning maps, conducted 1,773 online learning activities, and accumulated 5.28 million participants, with an average monthly online learning duration of 166.72 minutes per employee. The Bank also operates the “e-Course Workshop” online course development center, which has completed the development of 124 learning resources in various formats, including course recordings, live broadcasts, and illustrated guides.

### **3.4 Graduate traineeship/internship programs**

The Bank has established an internship and platform, offering diverse positions and projects to help on-campus students gain experience and enhance their comprehensive competencies. A standardized onboarding program for new employees is implemented, supported by mentorship handbooks, a coaching tracking system, and simulated business tools, enabling institutional customization and providing comprehensive support for graduate development.

- **On-campus student internship programs**

The Bank offers extensive internship opportunities to domestic and overseas university students. These positions span front, middle, and back-office positions within both branches and Head Office departments, enabling students to gain early exposure to related businesses, accumulate experience, and establish insights into their future career planning.

- **Early-stage FinTech initiative of “Blue  $\pi$  Program”**

Targeting university students majoring in Financial Technology, Mathematics, and Statistics, the Bank launched the summer internship and “Blue  $\pi$  Program” FinTech early recruitment initiative. The program organizes summer social practice activities and FinTech-themed open days, assisting students in enriching their professional profiles and broadening their professional awareness. Offers are extended to top-performing participants, enabling precise recruitment and early securing of top-tier tech talent. This program has become a key channel for building a robust FinTech talent pipeline.

- **Targeted training program**

In 2025, the Bank launched its Head Office Targeted Training Program. Through the implementation of specialized training plans, the program aims to cultivate elite, intelligent, and specialized professionals, building a pipeline of outstanding key talent for the Bank. The Bank innovatively introduced the Branch Technology Manager targeted training position, cultivating versatile professionals through targeted training to provide robust technical support for the innovative development of the Bank.

- **Onboarding training mechanism**

The Bank has systematically designed an induction program for new hires, standardizing the training mechanism. Tools and resources such as mentorship manuals, a mentoring process tracking system, and business simulation systems have been developed and refined. These guide various entities

in customizing training plans based on their actual conditions, providing solid support for the growth of new employees.

<b>Onboarding training mechanism</b>	
Standardized training process	<ul style="list-style-type: none"> <li>• Implement a structured process: internship-job rotation-shadowing-placement.</li> <li>• Adopt a blended approach combining intensive training, multi-position rotations, mentorship guidance, shadowing, and self-directed learning to facilitate rapid role transition, foster understanding of the Bank’s culture, and integrate into the work environment.</li> </ul>
Diverse supporting tools and resources	<ul style="list-style-type: none"> <li>• Prepare the <i>Mentorship Manual</i> to clearly define the responsibilities, tasks and objectives for both mentors and mentees, enabling efficient coaching.</li> <li>• Launch a product knowledge tree and business system course to empower new hires with self-directed learning capabilities, enabling rapid mastery of fundamental product knowledge and business process.</li> <li>• Enhance the counter service and credit simulation systems to deliver an integrated functionality of “instructional guidance + interactive practice + simulated testing + data analysis”, to improve the quality and effectiveness of training-combat integration.</li> </ul>
Differentiated program customization	<ul style="list-style-type: none"> <li>• Within a standardized framework, entities tailor their new employee development programs to specific contexts, including designed training cycles.</li> <li>• Regularly hosts events such as “New and Experienced Employee Exchange Meetings” and “Experience Concentration” case studies to promote interaction and provide learning and growth opportunities for new employees.</li> </ul>

### ● **New Recruits Camp campus recruitment training program**

The training program adopts a diversified teaching model, comprising lectures, collaborative workshops, scenario-based simulations, and competency assessments. It focuses on achieving the “Four Understandings”: understanding the workplace, the Bank, business operations, and risks. The training systematically enhances foundational professional qualities, fosters a professional mindset, and supports new graduates in adapting to organizational goals, work environments and rules, and accelerates their transition from students to professionals. The training invites outstanding managers, employees, and internal lecturers across the bank to deliver sessions and share insights, covering the Head Office and multiple branches to ensure standardized and unified training. By the end of October 2025, 1,405 targeted employees have completed the program, with an additional 3,479 managers and employees voluntarily participating, including 528 managers and 2,951 employees, fostering a widespread learning culture.

## **3.5 Supporting employees in obtaining occupational qualifications and academic degrees**

### ● **Establishing an internal qualification management system**

Since 2019, the Bank has established a qualification management system, formulating clear qualification standards for all job sequences and grade levels. The Bank orderly and efficiently conducts annual qualification evaluations and reviews, fully leveraging the system to guide and motivate employees. Qualification standards are established across multiple dimensions, including education background, work experience, training, professional contributions, and knowledge and skills. Employee professional competency is assessed through various methods such as internal examinations, external certifications, and professional reviews. Employees in professional sequences who obtain qualifications are encouraged to pursue continuing education. The well-established internal system motivates employees to continuously enhance their expertise, accelerates individual development, guides them in accumulating core competencies and substantial frontline experience, encourages contributions to their respective sequence, and ultimately achieves synergy between talent and bank growth.

- **Building a national-level post-doctoral research workstation**

The Bank was approved to build a national-level post-doctoral research workstation in 2015. Focusing on macro, forward-looking, and strategic research, the workstation addresses the Bank's practical needs for reform and development, serving as a crucial platform for cultivating high-level research-oriented and applied talent. Since its establishment, the workstation has been recognized as a “Jiangsu Province Model Post-Doctoral Research Workstation” and a “Nanjing City Excellent Post-Doctoral Research Workstation”. It has recruited a total of 22 post-doctoral fellows, successfully completed 16 research projects, and its stationed post-doctoral fellows have received nearly 20 awards and government grants at national and provincial levels.

- **Supporting employees in obtaining external professional qualification certifications**

The Bank actively guides and encourages employees to obtain authoritative industry certifications, has established a robust external certification mechanism, and provides differentiated incentive policies.

For certifications highly relevant to the Bank's core businesses, employees who obtain these credentials may apply for internal qualification recognition, creating a virtuous cycle of “capability enhancement—certification—career development”. For certifications highly relevant to core operations, such as Associate Financial Planner (AFP), Certified Financial Planner (CFP), Chartered Global FinTech Professional (CGFT), and Certified Anti-Money Laundering Specialist (CAMS), the Bank grants entities full autonomy to design tailored expense support measures based on their specific circumstances, motivating employees to pursue external certification and enhance professional expertise. At the branch level, reimbursement is provided according to detailed branch policies, with some branches offering varying reimbursement rates. In internal recruitment, employees holding certifications such as Associate Financial Planner (AFP), Certified Financial Planner (CFP), Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), or Certified Public Accountant (CPA) will be given priority consideration under equal conditions, depending on position relevance.

### **3.6 Leadership development training**

- **Building the leadership training system**

In line with business development needs, the Bank has comprehensively reviewed and revised its cadre management policies, continuously strengthening the policy and system construction. Pertaining

to cadre selection and appointment, rotation, training and supervision, the Bank has issued regulations including the *Cadre Management Measures of Bank of Nanjing (Trial)*, the *Measures for Promoting Cadre Mobility of Bank of Nanjing (Trial)*, and the *Outstanding Young Cadre Management Measures of Bank of Nanjing (Trial)*. These efforts further establish a standardized and normative personnel management system, providing fundamental guidelines for the scientific and standardized cultivation of cadres and the forging of a high-quality management team.

The Bank implements the major strategies of the entire bank and the Party Committee of the Head Office's key decisions and deployments, adheres to integrating teaching and research with practice, conducts thorough investigations and research, and fully aligns the education and training of cadres with the operational development of all entities. The Bank implements stratified and categorized training programs, establishing a "Foundation", "Fortress", and "Pillar" training framework covering cadres at all levels. Within each program, development phases are segmented by appointment timelines into three stages: newly appointed phase, development phase, and mature phase. This constructs a cadre training system characterized by holistic coverage, stratified categorization, diversified modalities, and practical effectiveness. Centered on the "Foundation-Fortress-Pillar" cadre training system, foundational management capability training is provided for newly appointed grassroots supervisors and department managers at the Head Office. For Head Office department managers in their second year of new appointments, advanced management skills enhancement programs are implemented. The Bank continuously develops and improves its internal management course system to facilitate dual enhancement of cadres' professional expertise and leadership competencies.

Leadership training system framework	
Foundation	Branch operations managers and equivalent-level managers.
Fortress	Heads of internal departments at Head Office, branch heads, and equivalent-level managers.
Pillar	Heads of Head Office departments, branch managers, and equivalent-level managers.

### ● Leadership core courses design

The Bank upholds the core role of Party theory education and ideological development as its primary responsibilities and key training components, continuously enhancing job competency training. It integrates ideological and political education, compliance awareness, and ethical professional conduct requirements into the entire cadre development process, with a strong emphasis on strengthening political capabilities. Focusing on common pain points in frontline team operations, the Bank has innovatively developed management courses such as *Five Disciplines for Newly Appointed Manager-Level Cadres* and *A Practical Guide to Team Combat for New Supervisors*, continuously refining the internal course system. By aligning with the practical needs and characteristics of various positions, the Bank achieves targeted instruction and dynamic optimization. In recent two years, 35 core lecturers for management courses had been cultivated, delivering a cumulative 168 teaching hours, effectively leveraging internal faculty resources. Concurrently, the Bank actively encourages young cadres to serve as lecturers; Lecturers from the management sequence now comprise 26% of the total. Through the

mechanism of “enhancing learning through teaching, promoting action through learning”, an efficient platform for learning and exchange has been established, comprehensively improving cadres' performance capabilities.

### ● **Key leadership training program**

The Bank is committed to building a tiered and categorized leadership training system. By providing precise empowerment, it enhances the leadership capabilities of managers at all levels, strengthens the construction of a reserve talent pipeline, and injects robust talent momentum into the Bank's high-quality development.

<b>Newly appointed cadre training program</b>	The program aims to help newly appointed cadres deepen their role understanding and accelerate their transition. It focuses on practical requirements, emphasizes the integration of training and application, and actively explores new models for cadre education. Key features include strategic guidance, rigorous assessment checkpoints, and collaborative workshops, all designed to solidify the foundational capabilities of new cadres. The program achieves annual coverage of all newly appointed cadres.
<b>Mid-career &amp; Young branch manager development program</b>	Designed to cultivate branch managers who excel in business operations, management, and team leadership, thereby strengthening the Bank's fundamental business units, this program identifies key pain points in branch management through surveys and assessments. The design leverages the cultural dissemination principle of “Cognition-Identification-Practice”. Program arrangements are tailored based on the distinct roles, responsibilities, and managerial tiers of both branch managers and deputy managers.
<b>Branch cadre training program</b>	The Bank places high importance on the localized cultivation of branch cadres. To help branches address common challenges and specific difficulties faced by frontline managers in conducting business and leading teams, the Head Office actively engages with branches to discuss training needs, assists in program design and faculty selection, and supports branches in implementing customized cadre training based on their actual circumstances.

### ● **End-to-end mechanism for “selecting, cultivating, managing, and deploying” outstanding young cadres**

The bank strengthens its cadres succession planning by comprehensively identifying, developing, and selecting high-potential young talents, ensuring a continuous infusion of vitality and dynamism to drive sustained organizational growth. It systematically identifies and nominates reserve cadres for a

two-year cultivation program. Adhering to the “7-2-1” cadre development model, focusing on on-the-job development, concentrated training, and action learning, the program meticulously implements a “6+1” cultivation system. This comprises conducting an entry interview, formulating a development plan, attending intensive training, selecting a mentor, presenting a strategic initiative, researching a business topic, and undertaking a developmental assignment. This structured approach accelerates the growth of promising young cadres. Furthermore, the Bank conducts in-depth research on “Understanding Affairs to Identify Talent”, analyzing significant, routine, challenging, and urgent matters in business operations. It adheres to the principle of selecting individuals based on the requirements of the tasks and identifying talent through their handling of affairs. This process identifies and reserves a pool of outstanding cadres who demonstrate strong governance capabilities, pragmatic execution, proven performance, and a resilient work ethic.

### **3.7 Carrying out joint talent cultivation program partner with educational institutions**

The Bank is committed to refining its professional talent cultivation mechanisms by actively integrating both internal and external training resources. This enriches the talent pipeline across all business lines and comprehensively strengthens professional knowledge, technical skills, and service capabilities. The Bank maintains collaborative partnerships with universities and institutions such as Shanghai University of Finance and Economics and the Zhangjian Entrepreneur College, introducing high-quality online and offline learning resources to provide diversified learning opportunities for our managers and employees. In 2025, leveraging the faculty expertise of Shanghai University of Finance and Economics, the Bank organized one session of the “Outstanding Young Cadres” training program. The program featured two core courses taught by senior experts: “Leadership and the Art of Leadership” and “Enhancing Management Capabilities and Mindset for Young Cadres”, effectively boosting the strategic perspective and management competence of the participants.

## **4. Non-pay benefits**

Upholding the philosophy of “collaborative growth, co-created value, shared achievements, mutual success”, the Bank provides employees with a platform to strive and grow, offering warm care and support, and promotes mutual development and shared progress between employees and the Bank, enabling them to jointly enjoy the fruits of high-quality development.

### **4.1 The “Xin Fu Jia” health welfare ecosystem**

The Bank attaches great importance to employees’ needs and continuously optimizes its comprehensive compensation system while deepening brand building in employee benefits. Rooted in the vision of “fostering a family-centric culture at Bank of Nanjing and infusing warmth into employee benefits”, the Bank has established the “Xin Fu Jia” health welfare ecosystem, a system covering the entire life cycle and career development journey of employees. It is designed to be comprehensive, multi-layered, broad-based, and wide-ranging, spanning employee health, retirement, daily life, and personal growth, extending to family members and children, effectively meeting employees’ needs at multiple levels, specifically, basic, core, and value-driven levels.

### **4.2 Providing employees with insurance and supplementary medical insurance**

In addition to fully complying with China's statutory requirements for social security contributions (the five social insurances and housing provident fund) and mandated leave policies, the Bank provides a comprehensive welfare package designed to safeguard employees' rights and well-being. This



includes enterprise annuity, lifetime health coverage, commercial supplementary medical insurance, customizable health management packages, meal allowances, communication subsidies, transportation support, seasonal allowances for high-temperature and heating costs, vision protection reimbursement, hardship assistance for employees in need, as well as personalized birthday and festival gifts, while tailoring benefits to meet diverse employee needs through flexible distribution methods.

#### **4.3 Safeguarding rest and leave rights**

The Bank strictly complies with the *Regulations on Paid Annual Leave for Employees* and local population and family planning regulations, fully safeguarding employees' rights to rest and leave. In addition to public holidays and national statutory holidays, employees may apply for various types of leave, including annual leave, marriage leave, maternity leave, paternity leave, sick leave, work-related injury leave, bereavement leave, and personal leave. In accordance with local policies, the Bank promptly implements extended maternity leave, childcare leave, and care leave for parents of single children, further strengthening employees' rights and well-being.

#### **4.4 Support and assistance for employees**

The Bank has established a support and assistance policy for employees in difficulty and developed the "Xin Fu Jia" health welfare ecosystem covering employees' entire life cycle. It organizes medical and wellness retreats for outstanding employees, conducts TCM free clinics, health seminars, and an Employee Assistance Program (EAP). Additionally, the Bank implements the "Xin Xin Xiang Yin" Employee Care Program Evaluation to continuously enhance employee satisfaction and sense of fulfillment.

#### **4.5 Union construction and smart services**

The Bank explores the integration of online and offline union platforms, establishing a multifunctional cultural and wellness hub that combines staff libraries, gyms, and mental health lounges to create a comprehensive service system for employees. Efforts are intensified to strengthen the union's digital presence through the official WeChat enterprise account "Cultural Vision of Bank of Nanjing" (Wen Hua Xin Shi Ye) and so on, extending union functions such as information dissemination, promotional campaigns, and event organization to the digital space.

#### **4.6 Caring for female employees**

The Bank prioritizes the welfare of female employees, strictly adhering to labor protection regulations for women. It implements maternity check-up leave, maternity leave, breastfeeding leave, and parental leave in compliance with local laws such as the *Regulations on Population and Family Planning* and the *Special Provisions on Female Employees' Labor Protection* to strictly ensure the female employees' statutory rights to rest and leave. Collective contracts and dedicated agreements for safeguarding female employees' rights are signed and approved by the Employee Representatives' Assembly, while fair and transparent compensation mechanisms and career advancement pathways are established, effectively safeguarding female employees' equal development rights.

The Bank enhances health support plans, optimizes medical check-up programs, expands breast and cervical cancer screenings, and sets up mental health lounges to address women's physical and psychological well-being. Multiple four- and five-star maternal care rooms and service stations for female employees have been established to protect female employees' rights during the "four critical periods" (menstruation, pregnancy, postpartum recovery, and menopause). Activities such as sharing

sessions on women's career achievements, skills competitions, financial knowledge classes, the "Her Nearby" photography campaign, and arts exhibitions are organized to enrich female employees' cultural and spiritual lives.

#### **4.7 Diverse cultural and sports activities**

The Bank leverages advanced culture to unite employees, hosting popular events like the "Top 10 Annual Milestones" selection, poetry recitals, bank anthem competitions, calligraphy and photography exhibitions, and team sports tournaments to enliven employees' extracurricular lives. Diverse interest groups are formed to identify talents, with the basketball, badminton and tennis teams repeatedly winning provincial and municipal championships. Mass safety campaigns centered on the "Ankang Cup" competitions are conducted to advance a culture of workplace safety.

### **5. Safeguarding employee rights**

#### **5.1 Performance-linked variable compensation policy**

Based on the *Supervisory Guidelines on Sound Compensation in Commercial Banks*, the Bank's articles of association and other regulations, the Bank established and implemented the *Bank of Nanjing Compensation Management Policy* to develop an enhanced scientific and effective employee incentive and constraint mechanism. Compensation consists of base salary, performance-based compensation, and welfare benefits. As the core component reflecting employees' performance contributions, performance-based compensation represents the Bank's reward mechanism for individual achievements, including incentives tied to revenue growth and cost-saving outcomes. This compensation is determined through corporate performance evaluations, fully accounting for risk factors, cost deductions, and the Bank's sustainability objectives.

Based on policy documents and regulatory frameworks such as the *Code of Corporate Governance for Listed Companies* and the Bank's strategic development plans, the Bank established a robust Executive Performance Evaluation Framework. By embedding sustainability-related metrics into the performance assessment system, the Bank strengthens the linkage between compensation and long-term value creation of executives and directors. The outcomes of sustainability performance evaluations serve as a critical basis for determining the adjustment factor for their performance-based salaries, ensuring the integration of short-term incentives with long-term strategic goals.

#### **5.2 Regular performance appraisals and feedback**

##### **● Employee performance assessment and management**

The Bank has refined its performance management and assessment framework, issuing the *Measures for Employee Performance Management (Trial)* and annual implementation plans for staff and leadership performance assessment. These emphasize job value, performance improvement, and long-term development while ensuring fairness and objectivity. The Bank decomposes its strategic development goals and operational targets into unit-specific and role-specific objectives by establishing a value-creation-centered performance assessment system, ensuring improvement in both individual and organizational performance. This framework enables objective assessment of employee contributions, identifies performance gaps and areas for improvement, and facilitates timely feedback and coaching. Through this process, clear development goals are established to guide employees, fostering continuous individual capability enhancement.

<b>Four-phase performance management and assessment process</b>	
Performance plan development	The Bank's performance plan establishment follows the SMART principle (specificity, measurability, achievability, relevance, and time-bound nature). This plan is collaboratively defined through discussions between employees and their supervisors, fully reflecting the value of employees' job responsibilities to the Bank.
Performance process management and coaching	During the execution of performance plans, supervisors continuously focus on and support employees to improve behaviors, enhance capabilities, and elevate performance outcomes, with the core objective of achieving performance targets.
Performance assessment and evaluation	Supervisors evaluate employees' actual completion of performance indicators according to the pre-defined performance plan, including interim assessments within the performance cycle and annual evaluations at the cycle's conclusion.
Performance result review	Employee performance outcomes serve as critical basis for implementing management measures such as performance-based compensation distribution, recognition programs, promotions, training initiatives, and job rotation. To ensure fairness and objectivity, employees have the right to request a review of their evaluation results, with the review outcomes communicated to employees and their respective units by the Human Resources Department.

### **5.3 Employees' opinions and grievance**

#### **● Implementing the Employee Representatives' Assembly system**

The Bank rigorously implements the Employee Representatives' Assembly system, ensuring the proper conduct of employee representative elections and proposal collection processes. It deliberates and approves resolutions concerning employees' vital interests, effectively safeguarding their rights and responsibilities in corporate governance. At all levels, the Bank's trade union organizations advance rights protection initiatives by participating in the drafting of management policies related to labor contracts and other interests, and monitoring the implementation of policies on working hours, insurance benefits, employee training, and labor discipline.

#### **● Strengthening democratic management**

The Bank strictly adheres to its articles of association to standardize the operation of enterprise affairs transparency, deepening the construction of harmonious labor relations. It establishes and implements the Employee Representatives' Assembly system, maintains a sustained mechanism for proposal collection, and deliberates and approves resolutions concerning employees' vital interests, effectively safeguarding their rights and responsibilities in corporate governance. The Bank was honored as the "2020 Nanjing Model Unit for Democratic Management and Information Disclosure".

#### **● Ensuring unimpeded channels for employee concerns**

To ensure unimpeded channels for employee concerns, the Bank operates direct communication platforms such as the Chairman's and President's Express Mailbox, actively listening to frontline voices and resolving employee challenges. The "Xin Sheng" feedback system enables employees to contribute suggestions for corporate development. Since its launch, the system has received 1,037 operational

proposals, with 1,025 fully addressed through tracked follow-ups.

#### **5.4 Employee satisfaction**

##### **● Employee satisfaction survey**

Focusing on employees' concerns regarding compensation, benefits, and career development, the Bank conducts forums, questionnaires, and thematic research to gather insights from all staff members. Through the "Xin Sheng" feedback platform, the Bank proactively collects opinions and suggestions on HR-related matters. By analyzing survey data and results systematically, the Bank establishes a critical basis for formulating and refining HR policies. Targeted improvement measures are developed to address recurring issues, and practical solutions are implemented to resolve employees' difficulties, effectively safeguarding their rights and interests.

##### **● Digitalized cultivation system**

The Bank has established a career development framework for "three new staff groups" (new hires, new department transfers, and promoted officers), integrating employee satisfaction surveys into the professional growth process. Through a digitalized cultivation system, the Bank collects real-time feedback on learning progress and encourages participants to propose demands and suggestions regarding career pathways, training arrangements, mentorship mechanisms, and business processes or system enhancements. Leveraging the digital platform, the Bank implements a closed-loop management system covering issue collection, analysis and categorization, solution development and effectiveness evaluation, monthly analyzing recurring issues to transform employee concerns into organizational improvement drivers.

#### **5.5 Employee engagement survey**

Prioritizing employee perception and value recognition, the Bank enforces closed-loop satisfaction management, systematically analyzing recurring issues monthly. Annual "Xin Fu Jia" cultural campaigns are regularly organized, featuring innovative formats, expanded channels, enriched content, enhanced promotion, and localized services. Multi-tiered benefit briefings, annual "Xin Fu Statements", promotional infographics, and health experience workshops are conducted to engage employees actively in welfare initiatives. Staff are encouraged to co-create thematic cultural works, building emotional connections with employees through omnichannel, interactive, and experiential welfare communication, further elevating employees' satisfaction and well-being.

### **(II) Consumer protection**

The Bank strictly abides by laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and the *Implementation Measures of the People's Bank of China for the Protection of Financial Consumer Rights*, adhering to the value concept of putting customer at the heart. The Bank continuously improves the governance mechanism to ensure clear responsibilities and efficiency. By improving the system of consumer protection and optimizing the full-process management mechanism, the Bank works to integrate consumer protection requirements into every stage and aspect of operation including product design, business processes, and service management. By strengthening professional capacity building, the Bank has improved its capabilities in risk prediction and issue response, transforming from reactive responses to proactive prevention and from adhering to compliance bottom line to value creation. The Bank has effectively integrated

consumer protection into the core of financial services, continued to improve service quality and efficiency to win customer trust, and comprehensively improved sustainable customer service capabilities.

The Bank continuously strengthens its supervision mechanism for consumer protection. Led by the audit department, which organizes professional audit teams and agencies, annual consumer protection audits are conducted to review the fulfillment of consumer protection responsibilities across the Bank. These audits focus on the establishment of consumer protection management systems, compliance with marketing and recommendation standards, traceable management of sales practices, complaint handling procedures, and the rectification of issues identified internally and externally. The Board of Directors Audit Committee regularly reviews audit reports and supervises the effective implementation of corrective actions. In 2025, the Bank included special consumer protection audits in its annual audit plan. The project was initiated and implemented in October 2025, covering the Head Office departments and 17 branches.

## **1. Training on protection of consumer financial rights and interests**

The Bank has formulated all-round and multifaceted training plan for the protection of consumer financial rights and interests, contributed to the new landscape featuring comprehensive consumer protection, and promoted professional training of consumer protection as regular practice.

### **1.1 Regulatory policies**

The Bank attaches great importance to the protection of consumer rights and interests (hereinafter referred to as “consumer protection”), continues to improve consumer protection policies, implements the relevant requirements of regulatory authorities on consumer protection. The Bank also strictly complies with the policy requirements of the *Measures for the Administration of the Protection of Consumer Rights and Interests by Banking and Insurance Institutions* and the *Implementation Measures of the People’s Bank of China for the Protection of Financial Consumer Rights*, and has formulated and implemented policies including the *Administrative Measures of Bank of Nanjing for the Protection of Financial Consumer Rights* and the *Measures Bank of Nanjing for the Evaluation of Protection of Consumer Rights* to continuously improve the completeness and effectiveness of the Bank’s consumer protection system.

### **1.2 Trainees**

The Bank has actively organized comprehensive training on consumer protection to enhance employees’ awareness and capabilities in consumer protection, and ensured the well-organized protection of consumer rights. The Bank has established a variety of training programs on consumer protection for all employees, including all middle and senior management staff, business personnel at primary-level operations, employees dedicated to consumer protection and newly recruited employees, fully ensuring that they can understand and effectively practice the concept about consumer protection in business operations.

### **1.3 Training methods and contents**

The Bank has carried out diversified consumer protection training programs, including special training, interpretation of key policies, advocating discussion among all employees, and facilitating peer communication. Through both virtual and offline channels, the Bank has built a consumer protection training mechanism that supports all-round, multifaceted and diversified training programs. In 2025,

the Bank echoed the changes in markets and the latest regulatory requirements for consumer protection, and continued to steadily promote consumer protection training. The training programs mainly involve laws and regulations related to consumer protection, key regulatory points and compliance practices, internal comprehensive management system of consumer protection, business development, complaint handling skills and excellent practices, addressing such aspects as consumer protection review, information disclosure, suitability management, traceability of sales practices, personal information protection, complaint management, education, publicity and training, assessment and evaluation, supervision and inspection. The Bank has continuously broadened channels and expanded coverage of consumer protection training to improve the training system for consumer rights and interest protection.

<b>Online remote training</b>	<ul style="list-style-type: none"> <li>● <b>Implement online assessment</b> The Bank organized online exams on knowledge of consumer protection for all employees to reinforce the consumer protection principles.</li> <li>● <b>Design special training</b> The Bank launch special training sessions on consumer protection via the “Compliance in Every Step” learning platform.</li> <li>● <b>Build learning platform</b> The Bank created a new learning section on consumer protection on the Bank’s professional learning platform “Suixinxue” application with diversified basic and specialized consumer protection courses to expand channels for learning and communication.</li> </ul>
<b>Offline on-site training</b>	<ul style="list-style-type: none"> <li>● <b>Organize special offline training for consumer protection personnel across the Bank</b> In July 2025, the Bank conducted professional consumer protection training for all relevant personnel to address areas including the establishment of a comprehensive management system for financial consumer protection, key regulatory points and compliance practices, complaint handling skills, and case analysis with a focus on hotspot issues in banking complaints and consumer protection amid a new landscape for comprehensive consumer protection.</li> </ul>

## 1.4 Platform construction

In response to the *FinTech Development Plan*, the Bank has continued to promote digital transformation and improved the training mechanism related to consumer protection by focusing on the “Compliance in Every Step” learning platform and “Suixinxue” application. By providing special courses related to consumer protection in “Compliance in Every Step” learning platform and training units on consumer protection in “Suixinxue” application, the Bank has strengthened the professional ability of all employees in consumer protection through online courses and assessment and enhanced professional competence in consumer protection leveraging technology-driven initiatives.

## 1.5 Achievements

The Bank has built an online consumer protection training platform and actively conducted bank-wide online assessments. As of the end of the third quarter of 2025, over 10 special courses on consumer protection have been launched through “Compliance in Every Step” learning platform, reaching about 130,000 people. Additionally, more than 14,000 employees participated in the specialized online exams

on consumer protection, with a passing rate of 99.99%. The coverage rate of consumer protection training is on the rise year by year, and the professional capabilities of employees in all business lines related to consumer protection have been strengthened.

## 2. Product and service review

Adhering to the customer-centric philosophy and the service ethos of appreciating every customer. By adopting a comprehensive and systematic approach, the Bank has actively promoted a consumer protection management system and grid-based management mechanism featuring strategic guidance, cultural empowerment, grid-based management, and resource guarantee. Focusing on the quality of products and services, the Bank has continued to optimize the organizational structure and working mechanism.

### 2.1 Review mechanism

The Bank has continuously enhanced the product and service review mechanism, released and implemented the consumer protection review policies, inspected the implementation of consumer protection review during the annual special audit of consumer protection. Additionally, the Bank has incorporated the consumer protection review into the internal control and institutional risk management system and moved forward the risk control, protecting customers' rights and interests through products and services. This guarantees that client rights and interests are not compromised.

<b>Implement review management measures</b>	<b>Revise and issue the management measures for consumer protection review in strict compliance with regulatory requirements.</b> By reorganizing and refining the basis, scope, procedures, responsibilities and key points of the review, the Bank has established a robust top-level design for the consumer protection review mechanism, ensuring its completeness and professionalism.
<b>Develop online review controls</b>	<b>Develop system functions and optimize the review process.</b> By establishing an online control mechanism for consumer protection review, the Bank has established effective connections between business front-end systems, information release channels and consumer protection review.

### 2.2 Board of Directors and its special committees

The Board of the Bank provides guidance to the overall planning and oversight for bank-wide consumer protection efforts on a regular basis and conducts regular customer impact assessments on products and services. The Board of Directors, as the highest decision-making body for consumer protection work, bears the ultimate responsibility for consumer protection of the Bank; the Consumer Protection Committee established under the Board oversees and guides the establishment of internal product and service review mechanisms, monitors the implementation of relevant policies and strategies, and promptly reports consumer protection progress to the Board of Directors and the President Office.

### 2.3 Professional review team

The Bank has always given top priority to consumer protection in its business development, putting consumer protection review as the core mechanism for end-to-end management of consumer protection, and continued to strengthen the professional competence of review. The Bank has promoted the deeper

integration between consumer protection review and operations, thereby avoiding harm to consumers' legitimate rights at the source.

To implement product and service review mechanisms and safeguard consumers' legitimate rights, the Bank has established professional review teams for consumer protection across the Bank from the Head Office to branches and sub-branches. By leveraging the expertise of different review personnel, these teams provide tailored recommendations for products and services while dynamically updating the *Consumer Protection Review Guidelines* (the "review guidelines") to enhance enforceability and professional competence, promoting the shift from procedural review to substantive review in consumer protection.

The Head Office Consumer Protection Department is responsible for leading the implementation of specific consumer protection review tasks, with participation from relevant departments under the Head Office and branches. Consumer protection review refers to the process of identifying and highlighting risks from the perspective of protecting financial consumers' eight fundamental rights before products and services are officially launched or promoted. This involves examining whether the design and development, pricing management, agreement formulation, marketing and promotion processes of products and services comply with consumer protection requirements. Additionally, detailed review criteria are provided based on the protection of financial consumers' eight rights, clarifying specific procedures for conducting consumer protection reviews to incorporate consumer protection principles into source governance.

At the branch level, under the overall framework of the Head Office systems, the Bank has established the Consumer Rights Protection Department or a leading department for consumer protection, assigned dedicated roles for consumer protection assuming the responsibility for the establishment and operation of the branch's consumer protection review system, formulating the review management measures for the branch, and conducting consumer protection review in accordance with the review guidelines.

At the sub-branch level, the Bank has taken into account consumer protection principles in its operation by appointing dedicated consumer protection officers and dynamically updating review guidelines based on the actual condition. This ensures effective top-down/bottom-up communication to guarantee the implementation and monitoring of consumer protection work.

### **3. Loan contract modification management**

The Bank integrates consumer protection factors into the entire risk management lifecycle of loans, prioritizing consumer rights in all lending activities. Based on prudent assessment of customers' financial status and repayment capability, the Bank provides compliant, reasonable and flexible options to modify contract terms. Based on a thorough understanding of customer needs, the Bank dynamically adjusts loan repayment terms and frequency to help mitigate loans risks while effectively balancing service quality in lending with the robustness of credit business.

#### **3.1 Management mechanisms**

To improve risk management mechanism, safeguard customers' rights, and enhance service transparency, the Bank has established the *Post-Lending Management Measures for Personal Credit Business* to systematically standardize the requirements of post-lending management, covering key aspects including post-lending routine management, post-lending modification, post-lending



monitoring, risk classification, overdue loan disposal management, file management, inspection and supervision. The Measures specify the applicable conditions, modification process, options and notification channels for loan contract modification, ensuring customers' right to know and to choose, and leading credit services towards fairness, transparency, and sustainability.

For post-lending modification, the Bank has established a management mechanism for "general modifications" and "significant modifications". Specifically:

- **General modifications** refer to changes in basic customer information, including but not limited to repayment account number, income, workplace, role, rank, address, contact information.
- **Significant modifications** refer to changes in business information, including but not limited to business terms, interest rate, repayment method, guarantor, collateral adjustment.

### 3.2 Applicable conditions

The Bank has comprehensively assessed the financial position of customers and established a differentiated repayment arrangement mechanism based on the borrowers' credit and repayment capacity assessment. The Bank has established the *Administrative Measures for the Relief of Distressed Personal Loans* to define the identification criteria, applicable conditions and relief methods of customers in distress, and effectively implement the relief measures for personal loans. For customers facing repayment difficulties due to force majeure factors such as major natural disasters, accidents, health crises, sudden illnesses, operational challenges, unemployment, economic hardship, or extreme weather, a special relief mechanism will be established upon mutual agreement.

Borrowers meeting the following requirements may apply for significant modification:

- The changed term shall not exceed the original loan term;
- The changed interest rates shall not fall below those stipulated in the pricing requirements of the Head Office and branches;
- The changed repayment method shall comply with business and product policies;
- The adjustment of guarantor shall comply with business and product policies, and ensure that the existing borrower, co-repayer and guarantor have sufficient repayment capacity, and the new guarantor shall provide corresponding materials as required;
- The adjustment of collateral shall ensure that the Bank's mortgage rights remain protected. Existing rights holders may be added as co-borrowers, co-repayers, or guarantors when necessary;
- After the modification of the mortgage loan, the monthly mortgage repayments shall not exceed 50% of the borrower's household income, and the sum of the borrower's mortgage repayment and other debt obligations shall not exceed 55% of the borrower's household income.

### 3.3 Loan adjustment elements

The Bank has actively responded to the requirements of the *Notice of the National Financial Regulatory Administration on the Development of Consumer Finance to Boost Consumption* and

provided personal consumption loan relief. Based on borrowers' credit status and repayment capacity assessments, the Bank dynamically adjusts loan terms and repayment frequency to establish differentiated repayment mechanism. For customers with intent to repay the loans but facing temporary liquidity difficulties, the Bank provides corresponding relief support as appropriate. For customers with early repayment requests, the Bank offers such solutions as term or bill adjustments as appropriate to strike a balance between customer service quality and risk mitigation while maintaining effective risk controls.

To practice the concept of responsible finance, the Bank supports distressed customers in achieving sustainable repayment, provided they meet criteria including customer identity compliance, good credit record, income stability and intent to repay. In doing so, the Bank comprehensively assesses the income stability and availability of collateral, prudently offers tailored support measures such as adjustment of repayment schedules, lowering monthly installments, reduction and exemption of interest margin, term extensions, modifications of original loan contract collateral, refinancing, extending loan term and adding or extending grace period. These measures ensure targeted financial support on the basis of risk mitigation.

### **3.4 Review mechanism**

The Bank continuously strengthens internal control management and risk governance to ensure the compliance, fairness and transparency of the implementation of loan relief policies. The Audit Department regularly conducts special audits of loan relief upholding the principles of independence and objectivity, with a focus on the compliance of interest reduction of customers eligible for loan relief, as well as the policy basis, approval process, material completeness and implementation consistency, to effectively prevent operational risks and moral risks. In January 2025, the Bank organized and implemented the 2024 Special Audit on Loan Relief of Bank of Nanjing.

## **4. Debt collection management**

The Bank has established a comprehensive and standardized debt collection management system, strictly complying with relevant national laws, regulations and supervisory requirements, such as the *Jiangsu Office of the National Financial Regulatory Administration Guidance Opinions on Regulating Outsourced Debt Collection Operations of Banking Financial Institutions*. It has formulated specialized management policies such as the *Key Points of Debt Collection Policy of Bank of Nanjing* and the *Measures for the Management of Bulk Outsourcing Debt Collection of Bank of Nanjing*, specifying the requirements for debt collection management. Furthermore, debt collection operations have been integrated into special audits focused on consumer rights protection, continuously strengthening supervision and review mechanisms. This ensures standardized management of debt collection while safeguarding consumers' legitimate rights and interests.

### **4.1 Scope of application**

The Bank's key points of debt collection policy apply to all branches and business management departments at the Head Office.

The policy clarifies the organizational structure and responsibility allocation for debt collection operations, elaborates repayment reminder mechanisms, standardizes debt collection methods, emphasizes consumer rights protection, and establishes sustained training frameworks. These measures span business loans, mortgage loans, consumer loans, and credit card operations. Meanwhile, the Bank's

bulk outsourcing collection management measures cover various business lines and products, including personal loan assets, credit card receivables, and small corporate loan assets. Through institutionalized, standardized, and human-centric management practices, the Bank continuously drives its debt collection operations toward legality, compliance, and a humane approach, fully embodying its commitment to responsible finance and sustainable governance.

#### **4.2 Division of responsibilities**

The Bank actively established a full-process debt collection management framework that ensures clear accountability and efficient coordination where departments collaborate closely. Strictly adhering to national laws, external regulatory documents, and internal policies during the debt collection process, the Bank ensures compliance and safeguarding consumer rights while achieving effective resolution and standardized management of overdue loans. The Head Office Asset Preservation Department serves as the leading department for bulk outsourcing debt collection, responsible for formulating and continuously improving the Bank's bulk outsourcing debt collection management system, organizing, guiding and supervising the system's implementation, as well as conducting inspections and monitoring to the management. Branches and the Head Office business management departments are responsible for executing and refining bulk outsourcing debt collection policies in daily operations.

#### **4.3 Working mechanism**

The Bank continuously improves the operational mechanisms for debt collection personnel through its debt collection policies. It refines repayment reminder systems, covering requirements for reminder frequency, content compliance, and multi-channel outreach, to enhance customer awareness of repayment obligations. The Bank standardizes debt collection methods, explicitly prohibiting inappropriate debt collection practices and ensuring the safeguarding of customers' legitimate rights and interests.

- **Repayment reminders**

The Bank implements differentiated repayment reminders, including those prior to loan maturity and following overdue payments.

- **Collection methods**

Collection methods include SMS notifications, automated voice calls, manual collection, branch-level collection, and outsourced third-party collection. Leveraging a coordinated model of headquarters-branch collaboration and internal-external synergy, it has established a comprehensive, multi-tiered debt collection system. This framework, supported by long-term mechanisms, effectively prevents risks associated with the assets.

- **Debt collection process**

The Bank's debt collection operations cover the entire lifecycle of customer delinquency. From the initial M0 stage (initial delinquency stage), a gentle reminder mechanism is activated to encourage proactive customer repayment. Upon entering the M1 stage, systematic debt collection begins, emphasizing process management and customer communication. For written-off assets, the Bank strictly adheres to the principle of "write-off with case preservation", ensuring continuous due diligence recovery efforts and uninterrupted creditor rights management. Through an end-to-end debt collection system, the Bank strengthens early intervention and dynamic management at later stages, effectively

controlling risk migration, continuously reducing delinquency rates, and enhancing debt recovery efficiency.

#### **4.4 Customer protection**

The Bank places great emphasis on consumer protection, fully safeguarding consumers' rights to information, being free from harassment, respect and information security. It requires outsourced collection agencies to proactively disclose their identity during collection activities, conduct operations in a standardized manner, reasonably control the timing and frequency of collections, and strictly prohibit any violations such as violence, harassment, or disclosure of debtor information to unrelated third parties. The Bank adheres strictly to personal information protection principles, implements a "minimum necessary" data authorization mechanism, standardizes information transmission and usage, and ensures customer documents and personal data are not leaked, misused or exploited for any commercial purposes. By establishing the *Key Points of Debt Collection Policy of Bank of Nanjing*, and the *Measures for the Management of Bulk Outsourcing Debt Collection of Bank of Nanjing*, the Bank clearly define the standards for onboarding and offboarding debt collection agencies, strengthens full-process management and supervision, and leverages its self-developed collection system to achieve traceable operations and real-time monitoring, significantly enhancing the standardization and security of outsourced collection activities.

#### **4.5 Debt collection specialized training**

The Bank emphasizes the professional competence and capability development of debt collection management personnel and conducts regular training sessions for staff involved in debt collection. Specialized training on business capabilities and compliance awareness is regularly provided for internal collection team members, covering key areas such as laws and regulations, consumer rights protection requirements, communication standards, and risk prevention. This enhances frontline employees' professional performance and compliance consciousness. For outsourced collection agencies, the Bank strictly adheres to regulatory requirements and internal management standards by establishing and enforcing clear collection management guidelines. Through regular compliance training, quality inspections, and on-site audits, the Bank continuously reinforces compliance culture, strengthens process control, and ensures that all outsourced collection activities are conducted lawfully, compliantly, and in an orderly manner, effectively mitigating operational and reputational risks. Through a dual-track, integrated approach combining internal and external training with comprehensive coverage, the Bank effectively safeguards the compliance and long-term sustainability of its overall debt collection operations.

### **5. Fair marketing and promotion policy**

The Bank strictly complies with relevant laws and regulations such as the *Advertising Law of the People's Republic of China*, as well as regulatory requirements including the *Notice on Further Standardizing Financial Marketing and Promotion Practices*. The Bank fully implements its fair marketing and promotion policy by integrating consumer rights protection into every stage of marketing activity design. It has developed and issued internal policies such as the *Bank of Nanjing Management Measures for Retail Financial Service Promotion Materials*, *Bank of Nanjing Management Measures for Information Display on Branch Running Signs*, *Bank of Nanjing Brand Promotion Management Measures*, and *Key Points of Retail Marketing and Promotion Policy of Bank of Nanjing*, effectively ensuring the implementation of fair marketing and promotion practices and safeguarding consumer

rights and interests.

### **5.1 Fair advertising policy**

- ***Bank of Nanjing Management Measures for Retail Financial Service Promotion Materials***

This policy clearly stipulates that promotional materials for retail business must adhere to the principle of fairness and standardizes the management of such materials. It establishes and oversees prohibited content requirements, stipulating that promotional materials must not contain false or misleading information, nor may they deceive or mislead financial consumers. By doing so, the measures effectively protect both the Bank's interests and those of financial consumers, supporting the standardization, professionalization, and compliance of the Bank's retail marketing and promotional activities.

- ***Bank of Nanjing Management Measures for Information Display on Branch Running Signs***

This policy clearly defines the release of information on branch running signs and the conduct of marketing and policy promotion, and stipulates that financial marketing activities must not be conducted in a manner that undermines fairness. Financial marketing shall not maliciously disparage competitors by fabricating or spreading false facts, thereby damaging their reputation; nor shall it employ biased comparisons or improper rankings in marketing promotions.

- ***Bank of Nanjing Brand Promotion Management Measures***

This policy clearly stipulates that the Bank's advertising and promotional activities must comply with relevant laws and regulations, and shall be carried out in accordance with a process including market research, project initiation, application and approval, resource procurement, legal review, contract signing, payment processing, content placement, and post-campaign evaluation. This ensures the standardization of advertising activities, strengthens overall management effectiveness, and enables the Bank's advertising and promotion work to be conducted in a systematic, standardized, and professional manner.

- ***Key Points of Retail Marketing and Promotion Policy of Bank of Nanjing***

By continuously optimizing the retail marketing and promotion policy framework, management mechanisms, and operational processes, this policy has clearly established a three-dimensional management structure for retail marketing and promotion. It has set basic behavioral standards for marketing personnel, defined specific behavioral norms for service lines such as agency wealth management products and credit card business, and strengthened the standardization of retail marketing activities and information disclosure. At the same time, the policy conducts reviews and monitoring of promotional activities during implementation, effectively enhancing the management of retail marketing and information disclosure.

### **5.2 Scope of application**

The Bank continues to improve its fair marketing and promotion policy system. Policies such as the *Bank of Nanjing Management Measures for Retail Financial Service Promotion Materials* and the *Key Points of Retail Marketing and Promotion Policy of Bank of Nanjing* apply to the Bank and all its domestic entities of all levels, with subsidiaries required to follow and implement them as reference.

### 5.3 Laws and regulations

The Bank consistently adheres to the principle of compliant and fair marketing and promotion, placing the customer at the center of its operations. It strictly complies with requirements of relevant laws, regulations and policies, including the *Civil Code of the People's Republic of China*, the *Advertising Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *Personal Information Protection Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Measures for Administration of Consumer Protection by Banking and Insurance Entities*, the *Implementation Measures of the People's Bank of China for the Protection of Financial Consumer Rights*, and the *Notice on Further Standardizing Financial Marketing and Promotion Practices*. The Bank is committed to delivering the highest quality products and services to its customers.

The Bank adheres to the principles of authenticity, accuracy, completeness, and timeliness in disclosing information about its products and services, truthfully reflecting their core features and appropriately disclosing associated risks. Relevant information is disclosed through appropriate and lawful single or multiple channels, depending on the nature of the product or service and the characteristics of the information itself. The Bank strictly requires that product and service information disclosure must not involve fraudulent, concealed or misleading promotional practices, nor may it include exaggerated claims of product returns or service benefits, or the concealment of product risks, which would constitute false or misleading information. For key information relating to interest rates, fees, returns and risks that directly affect financial consumers, the Bank provides clear and easily understandable explanations of complex or technical terms, based on the complexity and risk level of the financial product or service. This ensures that consumers can receive, comprehend, and acknowledge the full information through appropriate means.

Marketing and promotion standards for key business	
Service type	Fair marketing and promotion requirements
Wealth management products	<ul style="list-style-type: none"><li>• Strictly prohibit recommending products without assessing the customer's risk tolerance. Do not promote other financial products under the guise of "wealth management."</li><li>• Prohibit misleading sales, false or exaggerated performance claims, selective presentation of performance benchmarks, or conflating wealth management products with deposits.</li><li>• Strictly forbid forced bundling, cross-selling, or offering improper incentives such as rebates or gifts.</li><li>• Prohibit improper promises of principal and returns, benefit transfers, sales beyond authorized scope, private promotion of unapproved products, or promotion of specific products through channels outside the Bank. Without the customer's prior consent, do not conduct sales promotions via phone, SMS or email.</li><li>• Strictly prohibit signing documents on behalf of customers, completing risk assessments or holding products on their behalf, withholding or</li></ul>

	misappropriating sales proceeds, leaking investor information, or engaging in malicious denigration of peer entities.
Retail credit and credit card business	<ul style="list-style-type: none"> <li>Clearly display basic information such as the loan entity, effective annual interest rate, annualized comprehensive funding cost, and consultation/complaint channels in a prominent manner to safeguard customers' right to know and their right to make unsolicited choices. Methods such as default selection or mandatory bundled sales must not be used to deprive consumers of their right to express their intentions.</li> <li>When presenting the cost of fund usage for installment plans to customers, adopt interest-based calculations with explicit interest calculation rules, and fees or indicators shall not be used except where otherwise specified by laws and regulations.</li> <li>Marketing personnel shall clearly inform applicants of required application documents and basic eligibility criteria, ensure that applicants completely, accurately, and truthfully fill out application materials, and review original identification documents and necessary supporting documents.</li> </ul>

## 5.4 Supervision and management

The Bank's Audit Department conducts regular specialized audits on the implementation of consumer protection efforts. The areas subject to audit cover the compliance of marketing and promotion material development and release, with a focus on violations such as unauthorized marketing announcements, misleading promotions and infringement of customers' right to information, which contravenes laws, regulations or requirements set forth by financial regulators.

## 5.5 Specialized training on marketing and promotion compliance

The Bank conducts annual specialized training on marketing compliance to continuously deepen employees' understanding and application of fair marketing and promotion principles, and comprehensively enhance marketing staff's compliance awareness and professional capabilities. For retail financial services, the Retail Finance Department at the Head Office leads training initiatives related to marketing materials, while each branch is responsible for organizing training on retail marketing promotion management within their respective jurisdictions. Entities at all levels shall promptly arrange compliance training for marketing and promotion activities through formats including centralized training sessions by business lines, routine learning at branches, and online training via the "Suixinxue" App. The training shall cover a comprehensive range of topics such as laws and regulations, regulatory policies, behavioral standards, compliance risk identification, complaint handling techniques and case studies related to fair marketing and promotion. This ensures the training is systematic, targeted, and widely accessible, effectively integrating compliance principles into daily marketing practices.

## 6. Customer complaint management

The Bank adheres to the principle of serving the people through finance and benefiting the people with financial services, continuously improving the customer complaint management system, strengthening root-cause governance of complaints, ensuring smooth channels for complaint receiving,

enhancing monitoring and early-warning mechanisms, and optimizing response processes to actively fulfill its financial responsibilities.

## **6.1 Customer complaint management structure**

The Bank continues to refine its consumer protection organizational structure, establishing a top-down governance framework with clear authority and accountability, comprising the Board of Directors, senior management, and the Consumer Protection Department.

### **● Board of Directors level**

The Bank's Board of Directors has established a Consumer Protection Committee responsible for providing professional recommendations on consumer protection to the Board, or making decisions on relevant matters based on the Board's authorization. The Committee consistently fulfills its role in guiding and supervising the Bank's overall consumer protection efforts.

In April 2025, the Board reviewed and discussed the *Report on the 2024 Annual Assessment and Evaluation of Branch-Level Financial Consumer Protection Work* and the *Notice from the Office of Jiangsu Regulatory Bureau on Banking Consumer Complaints for the First Three Quarters of 2024*; in July 2025, it reviewed and discussed the *Notice from the Office of Jiangsu Regulatory Bureau on Banking Consumer Complaints for 2024* and the *Notice from the Office of Jiangsu Regulatory Bureau on Banking Consumer Complaints for the First Quarter of 2025*. The discussions focused on key areas such as the quality and efficiency of customer complaint handling, monitoring of complaint data, issue analysis, and root-cause rectification. Through these efforts, the Bank continues to strengthen its consumer protection mechanisms, promote the deep integration of consumer protection requirements into all stages of business operations, and achieve end-to-end, integrated management.

### **● Management level**

The Bank's management has established the Consumer Protection Committee, which is fully responsible for the overall planning, systematic deployment, and supervision of major consumer protection initiatives. The Committee coordinates consumer protection efforts across business lines, establishing a cross-functional, clearly defined, and efficiently operating governance mechanism. It promptly reports key developments to the Board of Directors, significantly enhancing the strategic leadership and organizational execution capability of consumer protection work. The Committee regularly convenes specialized meetings to gain a comprehensive understanding of the progress in consumer protection activities, conduct in-depth analysis of key customer complaint trends, service gaps, and potential risk points, and translate the principle of "customer-centricity" into systematic, actionable governance practices. This continuous effort strengthens the fairness and accessibility of financial services.

As of the end of the third quarter of 2025, the Head Office Consumer Protection Committee has held a total of 15 specialized meetings on topics such as the advancement of consumer protection work and developments in customer complaints. These sessions have a comprehensive assessment of the evolving landscape of consumer protection, and supported the scientific planning and implementation of key initiatives, effectively strengthening the synergy between top-level design and on-the-ground execution.

### **● Consumer protection level**



The Bank has established a first-tier Consumer Protection Department under the Head Office, responsible for effectively implementing consumer protection initiatives across the Bank in accordance with the guidance of the Board of Directors and the President Office. At the branch level, dedicated consumer protection departments have been set up, or lead departments for consumer protection have been explicitly designated. These departments have established consumer protection work positions, while sub-branches have assigned consumer protection specialists. This structure completes the initial establishment of a three-tier consumer protection team (Head Office, branches, and sub-branches), ensuring seamless vertical communication, execution and feedback on consumer protection initiatives across the entire Bank.

## **6.2 Financial product complaint handling process**

The Bank has established and improved mechanism for protecting financial consumers, formulating key documents including the *Bank of Nanjing Customer Complaint Management Measures* and the *Bank of Nanjing Emergency Response Plan for Major Complaints*. By building a unified, efficient complaint handling process and a rigorous, effective management system, the Bank strengthens effective communication channel based on mutual understanding and trust with customers. At all business outlets, valid complaint channels, handling procedures, processing timeframes, direct branch hotline numbers and mailing addresses are prominently displayed in the lobbies, enabling customers to quickly and easily access complaint options while conducting their transactions. This enables customers to quickly and conveniently access complaint options during their transactions. A comprehensive complaint handling and verification mechanism has been implemented, featuring tiered management, categorized case routing, and closed-loop supervision to reinforce accountability and ensure effective process control. Through multiple complaint intake channels, the Bank enhances the efficiency and credibility of complaint resolution. With the Bank adhering to the principles of “first-point-of-contact responsibility, time-bound resolution, and follow-up callbacks”, every complaint is ensured to be registered, monitored, responded to and resolved, effectively safeguarding the legitimate rights and interests of consumers.

### **● Complaint channels**

The Bank provides diversified complaint channels, including branch outlets, customer service hotlines, email and postal mail, official WeChat account and mobile banking app, ensuring efficient reception and effective handling of consumer complaints.

**Branch outlets:** Valid complaint channels, handling procedures, processing timeframes, direct hotline numbers for branch complaints and mailing addresses are prominently displayed within all branch lobbies.

**National customer hotline:** Dial 95302, then press 7 to connect to the complaint line.

**Head Office complaint email:** 95302@njcb.com.cn

**Head Office complaint letter address:** Designated mailbox for complaints, Bank of Nanjing, No. 88, Jiangshan Street, Jianye District, Nanjing, Jiangsu Province, China

**Zip code:** 210019

**WeChat official account:** Search and follow the official WeChat account “Bank of Nanjing”(南

京银行)

**Mobile banking app:** Available via the Bank of Nanjing app

- **Complaint handling**

On-site staff at the service outlet resolve customer complaints immediately; or the complaint handling entity makes a decision within 15 days and promptly inform the customer. If the complaint is particularly complex, the processing period may be extended to up to 30 days. The maximum processing period does not exceed 60 days.

- **Feedback and verification**

If the customer has no objection to the complaint resolution result, the complaint handling process is complete. If the customer disagrees with the resolution, they may submit a written request for verification to the superior body of the complaint handling body within 30 days of receiving the decision.

If the customer still objects to the verification result, they may apply for a further review through the higher-level entities. If the customer continues to have objections, they may contact the local financial consumer dispute mediation organization through the complaint handling entity and apply for mediation, or resolve the dispute through arbitration or litigation.

- **Internal audit on consumer protection**

The Bank's audit department is responsible for conducting internal audits on consumer protection matters. The audit scope includes the implementation of complaint management practices. Audit findings are reported to the Board of Directors Audit Committee. Specific audit items include the effectiveness of complaint resolution outcomes, the effectiveness of the complaint management framework, the completeness of the complaint management system, the timeliness and standardization of complaint follow-up, customer complaint statistical analysis and the effectiveness of improvement measures. The audit function supervises the Bank's overall implementation of consumer protection responsibilities, particularly in complaint management, provides management recommendations based on audit results, and reports to the Audit Committee to effectively safeguard consumer rights and interests.

### **6.3 Customer complaint handling supervision and inspection mechanism**

The Bank has established a systematic supervision and inspection mechanism for complaint handling, led by the Consumer Protection Department, which oversees the Bank-wide complaint management process. Targeted inspections are conducted to ensure that all customer complaints are handled fairly and professionally. A dedicated complaint supervision hotline is set up, with designated personnel responsible for receiving calls and tracking each case throughout its lifecycle. For major complaints, special investigations are organized, solutions are coordinated, and areas for improvement are thoroughly assessed, continuously enhancing the quality and efficiency of complaint resolution. The Bank has implemented a dedicated inspection mechanism, where the Head Office departments and branches work together to complete the investigation and provide feedback to the complainant within 30 working days, ensuring strict compliance with regulatory requirements on complaint supervision and management.

## 6.4 Our achievements

The Bank has issued the *Guidance on Financial Consumer Protection Work for 2025*, focusing on the principle of serving the people through finance, and outlining the annual consumer protection work plan to promote the comprehensive implementation of consumer protection efforts across the Bank. In terms of complaint management, the Bank takes enhancing customer service experience as its starting point, adopting multiple measures to strengthen full-process management, including process control, complaint resolution, and root-cause governance. Under comparable metrics, the number of regulatory referrals received in the first three quarters of 2025 decreased by 5.34% compared to the same period in 2024. As of the end of the third quarter of 2025, the complaint resolution rate reached 100%.

The Bank has established a regular review mechanism for complaint performance indicators and conducts periodic customer satisfaction surveys. A comprehensive survey on customer service satisfaction was carried out across 17 branches and 58 outlets nationwide, covering dimensions such as overall service evaluation, service environment assessment, staff service quality, and consumer rights protection practices. As of the end of the third quarter of 2025, the satisfaction rate for customers contacting via phone channels reached 99.66%, while the satisfaction rate for online customer service was 98.47%.

The Bank has established a sound consumer complaint management and service quality evaluation system, setting multiple key performance indicators to quantitatively monitor and dynamically manage the entire complaint handling process, ensuring that consumer protection efforts are measurable, traceable and continuously improvable. Targets such as complaint resolution rate, customer satisfaction and complaint satisfaction are set to effectively safeguard consumer rights and enhance the Bank's service quality and brand reputation.

## 7. Financial education

The Bank actively fulfills its social responsibilities as a financial institution. It is committed to enhancing the public's financial literacy and risk prevention capabilities by continuing to deepen public financial education and publicity work, and carrying out diversified and informative financial publicity and education activities on a regular basis. The Bank effectively plays an active role as a financial institution in advancing social equity and financial stability, by implementing targeted and differentiated education and publicity strategies, supporting balanced access to financial resources, carrying out education and publicity activities for key customer groups, and upgrading digital financial education through linkage of online and offline services.

### 7.1 Financial education initiatives and stakeholder outreach

The Bank focuses on the development of a financial education brand. It continues to intensify the efforts with its financial literacy initiatives, by carrying out special programs for specific customer groups, diversifying the launch of consumer protection education, and publicizing universality to the public.

#### ● Focusing on brand building

To further enhance the effectiveness of financial education, the Bank launches the “Xin Zhong You Ni: Building a better future together” Nanyin Consumer Protection customer and service brand centered on the lifecycle of financial consumers, notably three key customer groups related to consumer protection work, “the elderly, children, and new citizens”, and introduces three core values,

“commitment to responsibility, compassion in service, and pursuit of growth” which demonstrate the Bank’s connotation of consumer protection services. The Bank precisely reaches out to three customer groups, “children, new citizens, and the elderly”, and carries out a variety of targeted education and publicity activities through multiple channels.

- **Adopting diversified forms**

For purpose of financial publicity and education resonating more closely with the audiences, the Bank launches “Xiaobao”, the Nanyin Consumer Protection IP character, along with three featured characters representing “the elderly, children, and new citizens” customer groups, and embeds these characters into diversified financial publicity and education efforts through online and offline channels. The Bank creates a series of original publicity and education videos titled *Xiaobao Classroom* featuring scenarios tailored to the three customer groups, and disseminates financial publicity and education widely to the audiences in a popular manner. In the financial education and publicity week of 2025, the case *Focusing on “the Elderly, Children, and New Citizens” and Exploring Xiaobao Classroom* was awarded the first prize in the selection of Jiangsu provincial excellent financial education cases.

- **The Head Office collaborating with branches**

The Bank advocates a top-down, full-coverage model of consumer financial education. It organizes the branches to actively carry out regular and phased public education activities.

**Expanding the breadth.** The Bank carries out diversified financial publicity and education activities under scenarios such as engaging with communities, business areas, schools, enterprises and public institutions, and universities for the elderly, to enhance the coverage. Specifically, the Nanjing Branch launches the “Xin Zou Jin” program, during which the Branch provides short and beautiful characteristic publicity in campuses, enterprises, and communities. The Yancheng Branch cooperates with universities to give lectures on “how university students prevent illegal financial activities”, achieving remarkable results.

**Enhancing the depth.** The Bank carries out innovative and informative publicity and education activities with higher quality and effectiveness. Specifically, the Shanghai Branch cooperates with the Voice of Love Choir, Jiaxing Road Subdistrict, Hongkou District, to sing the *Together in Heart*, a consumer protection-themed song, in the Shanghai dialect. By embedding financial knowledge into melodic storytelling, the Branch significantly enhances the penetration and acceptance of financial education.

## **7.2 Financial knowledge publicity and education**

The Bank actively fulfills its corporate social responsibilities. It continues to enhance the long-term mechanism for public education, actively carries out financial education and publicity initiatives, helps to enhance the public’s financial security awareness and foster a sound financial vision. At the beginning of 2025, the Bank issued the *Bank of Nanjing 2025 Guiding Opinions on Public Education Work*, to clarify the tasks of and requirements on financial consumer education for the year to ensure the orderly development of the Bank’s consumer protection education and publicity work.

- **Involving recognized institutions in financial education**

The Bank collaborates with various education institutions to conduct regular financial education

and publication work. Together with *Nanjing Morning Post* under the Xinhua Daily Media Group, the Bank focuses on the children group of “the elderly, children, and new citizens” and conducts public-welfare education for pupils in campuses. It has organized the Bank of Nanjing Cup “Junior Bankers” selection competition for seven consecutive years, fostering a collaborative ecosystem constructed by the Bank, media, and the education system, and improving the quality and effectiveness of publicity and education.

The Bank actively establishes long-term cooperation with universities to enhance customers’ financial literacy. It organizes workshops together with universities such as Shanghai University of Finance and Economics, Zhejiang University, Xi’an Jiaotong University, Xiamen University, and Southeast University, regularly and frequently invites business owners to participate in joint trainings, and connects customers with scarce resources like academicians, experts, venture capital firms, and law firms, to build a better service ecosystem for higher customer stickiness and experience. In addition to providing training curricula covering themes such as corporate strategy and transformation, corporate innovation and succession, digital economy and artificial intelligence, industrial economy and industrial structure development, new quality productive forces, and enterprise going global, the Bank provides opportunities to experience corporate culture and technological advancements in enterprises such as Jiangnan Shipyard, Geely Auto Group, and Zhejiang Qiangnao, and synchronously embeds financial education services on investment and financing strategies and family business succession in the curricula. On top of deepening customers’ expertise in enterprise operation and management and personal/family wealth management, the Bank builds a premium circle engagement platform for interacting with experts, scholars, and outstanding entrepreneurs, to provide advice to support customers’ major decisions.

### ● **Face-to-face interaction on financial education**

Adhering to the publicity and education philosophy of “anchoring presence in lobbies while extending outreach outward”, the Bank organizes routine publicity and education activities centered around themes such as “15 March”, “extending financial knowledge to travel ten thousand miles”, and “finance education and publicity week”.

**Anchoring presence in lobbies to consolidate the foundation of public education.** The Bank deploys its outlet network as hubs for regular and immersive financial education and publicity. It leverages the outlets’ LED marquees and digital screens to play back public education and slogans, and arranges standardized leaflets in lobbies, to create an atmosphere of cohesive publicity and education. The Bank prominently sets up financial education consulting desks in lobbies, for concentrated publicity of sale by proxy to visitors.

During service intervals, the staff incorporates publicity and popularization into transactions and reminds customers of safe transfer and remittance as well as prevention from telecom fraud. Specifically, the outlets of the Beijing Branch deploy consumer protection activity zones, where the staff organize “financial knowledge micro-workshop” and patiently publicize financial knowledge such as eight fundamental consumer rights, general knowledge of consumer financial investment, the “three-right” principle (delivering the right product or service to the right consumers through the right channels), hidden risks and social harm of illegal “agency for rights protection”, anti-money laundering, and representative cases of elderly fraud.

**Promoting rigorous and practical implementation of publicity and education activities under scenarios.** The Bank focuses on high-frequency matters of financial consumers in daily life, and concentrates on “engaging with communities, campuses, rural areas, enterprises, and business areas”. It focuses on “the elderly, children, and new citizens” customer groups, and deepens financial education in grassroots services under service scenarios.

<b>Engaging with communities</b>	<b>Providing zero-distance services for residents.</b> The Bank focuses on themes such as financial security and anti-fraud to implement financial education and serve residents “at zero distance” through channels such as community service centers and Party-mass activity stations.
<b>Engaging with rural areas</b>	<b>Becoming financial educators.</b> The staff explain practical knowledge, such as deposit insurance, digital payment security, and identification of financial fraud, in local dialects in rural fields and courtyards, bridging the “last mile” gap in financial education.
<b>Engaging with campuses</b>	<b>Nurturing financial literacy of teenagers in a heart-warming manner.</b> The Bank collaborates with primary school, secondary schools and universities, and helps teenagers to cultivate financial awareness of rational consumption and scientific wealth management, and open a “window to financial knowledge”, by ways of anti-fraud videos, service sites at examination venues, etc.
<b>Engaging with enterprises</b>	<b>Building a solid fender wall.</b> The Bank erects a strong financial security “fender wall” for employees by popularizing investment and wealth management knowledge and anti-money laundering topic for customers in workplace, and enhancing their ability to protect personal information and to identify and address illegal lending practices.
<b>Engaging with business areas</b>	<b>Protecting consumer rights and preventing risks.</b> The Bank collaborates with merchants to conduct on-site publicity through leaflets, posters, and roll up banners, to popularize practical financial knowledge on payment security and rational investment, and create “financial knowledge service stations” for consumers.

#### ● **Direct access to online financial education**

To leverage the advantages of Internet dissemination, the Bank focuses on “the elderly, children, and new citizens” to carry out diversified online publicity and education activities. The Bank produces *Xiaobao Classroom*, a series of publicity and education cartoons with “Xiaobao”, spokesperson of the Nanyin Consumer Protection IP character, as the keynote speaker. It launches and spreads via online channels, such as WeChat Video Channel, the *Safeguarding Retirement Savings for Peaceful Old Age*, the *Do You Know the Mystery of Money?*, and the *Securing Money to Embrace Urban Life*, specific to the elderly, children, and new citizens and teenagers, respectively. The Bank collaborates with the *Nanjing Morning Post* and focuses on children to conduct public welfare financial education in campuses of primary schools, and advocate fostering financial quotient from childhood, to consolidate the foundation of financial literacy for teenagers’ healthy growth. The Bank has fed over 300 pieces of investment education resources, including investment research news, hotspot analyses and thematic

interpretation, via online channel of mobile banking.

The Bank's branches actively innovate the model of public education and publicity, and implement specific requirements of activities according to local conditions. Specifically, the Beijing Branch focuses on the public's concerns, launches an original series of consumer protection-themed publicity and education videos, such as the *Traps and Dawn: Bewaring of Illegal Intermediaries Acting as Agents for Rights Protection* and the *Race Against Time: Protecting Financial Assets from Telecom Fraud*. The Branch dives into tactics of fraud and essence of underlying risks related to the vivid cases, fully revealing the nature of fraud while amplifying cautionary effect. It releases the videos simultaneously through a multi-channel matrix of the Branch's official microblog, the official WeChat account of Beijing Banking Association, and the "Wu Tong Wen Zhi" public education platform, enhancing both dissemination breadth and education depth.

- **Financial education readings**

Building upon traditional channels, the Bank and its business units produce diversified materials including leaflets, handbooks, readings, long-form infographics, and tweets, integrating the Nanyin Consumer Protection brand and the "Xiaobao" character. Notably, the Yancheng Branch develops and distributes the *Risk Alerts on Telecom Fraud Prevention (Large Print)* and the *Teenagers Financial Quotient Classroom* manual, fostering closer connection with financial consumers.

The Bank leverages these readings to deliver financial education to customers through online and offline channels, respectively. On top of the "Xiaobao Classroom" offline education program, the Bank compiles a set of three-volume financial education readings, including the *Kids' Financial Quotient*, the *Red Finance*, and the *Combating Financial Fraud*. With online "Junior Bankers" campaign, the Bank compiles a set of four-discourse textbooks, including the *Red Finance History*, the *Origins and Evolution of Money*, the *Establishing a Healthy Financial Vision*, and the *Combating Telecom Fraud*.

### **7.3 Financial publicity and education for key customer groups**

- **Teenagers and students customers**

Through campaigns such as "Junior Bankers", the Bank conducts financial quotient co-education activities in campuses to help teenagers and children foster a view of rational consumption, develop good habits of financial consumption, and strengthen the awareness of financial risk prevention and personal information protection, and value personal credit in case of excessive lending. By focusing on themes such as "be waring of illegal campus loan", "safeguarding personal information", and "valuing personal credit", the Bank engages with young customer groups to deliver financial knowledge and financial education services.

For young customer groups, the Bank is dedicated to building the brand of Meng Xiang Jia Club and diversifies the module of value-added services of children's education. The Bank organizes themed activities such as the elite academy summer/winter camps. It invites children of core customers to prestigious domestic and international institutions such as Nanyang Technological University, Singapore, Nanjing University, Renmin University of China, and University of Science and Technology of China, and participates in study tours such as leadership development, financial quotient simulation, artificial intelligence, visits of renowned enterprises, and intangible cultural heritage experience, during which the Bank integrates the financial education services for teenager customers. The Bank customizes

journeys of premium growth for customers' children to global academics and practices, helping explore the unknown and unlock limitless potential.

**Case: The Haian Xinghu Sub-branch of Nantong Branch adopts innovative teaching approach and gives lectures on financial knowledge in the Haian Special Education School**

The Haian Xinghu Sub-branch of Nantong Branch gives lectures on financial knowledge in the Haian Special Education School. The Sub-branch shares financial security knowledge in a manner intuitive and easy to understand by elaborately making anti-fraud publicity video clips and interesting PPT courseware tailored to the cognitive characteristics of exceptional children. It specially compiles the *Financial Education Readings (For Teenagers)* in comic packs to explore the mystery of money and deconstruct cyber fraud, sparking children's enthusiasm for learning.

**Case: The Yancheng Branch and The Jiangbei New Area Branch leverage their financial advantage to set up financial publicity service sites at college entrance examination venues**

During the college entrance examinations, branches such as the Yancheng Branch and the Jiangbei New Area Branch organize their sub-branches to set up "service sites" outside examination venues, providing services such as free rest areas, bottled water, and heatstroke prevention supplies. The sub-branches address parents' inquiries about practical matters like "tuition fee transfer after university enrollment" and "tuition payment deduction" at the venues. They also publicize and explain topics including proper guidance on how university students prevent from "Internet loan traps" and safeguarding their legal rights and interests. These effectively alleviate anxiety of accompanying parents while facilitating widespread financial education.

● **The elderly customers**

The Bank provides rich and diverse elderly-friendly financial service activities and builds "branded" pension finance services, to adapt to the development of an aging society. The Bank sets up a "Pension Finance" zone within its mobile banking App, diversifies functional modules of pension benefit services, and enhances elderly care features of the mobile banking App. The Bank implements elderly-friendly outlet renovation, creates the elderly care brand and the "respect for elder care outlet" benchmark, and builds a demonstration outlet featuring financial publicity and education.

Focusing on the silver-haired elderly customers, the Bank is dedicated to building the customer group brand of Yi Xiang Jia Club with exclusive financial and non-financial service strategies. Given that the silver-haired have flexible daily schedules and are suitable for high-frequency engagement, the Bank focuses on their idiosyncrasy of desiring for care and interaction, to provide ongoing, warm and considerate companionship, and regularly organizes distinctive themed activities including seasonal wellness salons and elderly community visits. While delivering non-financial services in terms of health and elderly care for customers, the Bank incorporates financial education for the elderly in an entertaining manner, improving customers' sense of belonging and experience.

**Case: The Huaian Branch promotes financial education in communities in close alignment with residents' daily life**

The Huaian Branch embeds its brand in surrounding communities to conduct financial education activities for residents. The Branch conducts targeted publicity and education on pressing livelihood challenges, focusing on hotspots and difficulties such as preventing traps of illegal fundraising,



identifying telecom and Internet fraud tactics, and elevating the awareness of rational investment. The Bank launches the “smart assistance for the elderly” volunteer services to address the elderly’s incapability, fear, or reluctance to use smartphones, Apps, etc., and help the elderly to straddle digital divide.

#### ● New citizens customers

The Bank conducts targeted financial education programs. Under the theme “Empowering New Citizens Clients to Pursue a New Life”, the Bank systematically introduces the Bank’s financial services tailored for new citizens clients. These include credit cards, third-generation social security cards, housing loans, personal business loans for individuals, and specialized products like “Xin Xiao Dian”, “Xin e-Gao Qi”, and “Xin Lian Shui” for small and micro enterprises owned by these residents. The program aims to enhance basic financial knowledge, and strengthen risk prevention awareness. Focusing on high-frequency risks and core concerns such as illegitimate intermediaries, anti-telecom fraud, and anti-money laundering faced by the new citizens clients, the Bank emphasizes the need for all branches to effectively enhance the precision and coverage of educational campaigns. This will help the new citizens clients better integrate into city life and practically strengthen their financial security.

#### **Case: Changzhou Branch conducts on-site financial education at enterprises**

Changzhou Branch organized staff to visit enterprises such as OPES Solutions (Changzhou) Co., Ltd. and Changzhou Cxsound Electronic Co., Ltd., raising awareness among enterprise employees about the risks of unscrupulous intermediaries and other illegal financial activities, and promoting knowledge of investment and wealth management, as well as anti-money laundering (AML).

#### **Case: Wuxi Branch collaborates with sub-branches to deliver financial knowledge**

Wuxi Branch, together with Jiangyin Chengdong Sub-branch, Anzhen Sub-branch, and Shangmadun Sub-branch, visited Jiangyin Jinsheng Trading Co., Ltd., Jiangyin Liangyou Chemical Equipment Manufacturing Co., Ltd., Sanhe Kaiwu Construction & Decoration Engineering Co., Ltd. and other enterprises, educating enterprise employees and school teachers and students about fraud prevention, anti-fraud measures, preventing illegal fundraising, personal credit reporting, deposit insurance, and other related knowledge, while reminding the “new citizens residents” to understand their personal risk tolerance levels, enhance awareness of financial risk responsibility, and guiding them to adopt a rational investment mindset to avoid blind investment decisions.

#### **Case: Shanghai Branch collaborates with police station for public education on financial knowledge with the theme of “Protecting Priority Groups, Enhancing Financial Security”**

The Sales Department of Shanghai Branch collaborated with Gonghexinlu Police Station to conduct the public education on financial knowledge with the theme of “Protecting Priority Groups, Enhancing Financial Security”. Community representatives were invited to participate in the activities focusing on key areas such as account security, payment safety, rational consumption, and fraud prevention to prioritize key areas in financial education outreach, ensuring effective knowledge retention and application.

#### **Case: Nanjing Branch & Taizhou Branch conduct permanent anti-fraud booths at commercial**

#### **areas**

Consumer protection officers from Nanjing Branch and Taizhou Branch regularly visited nearby business areas, conducting on-site promotions at high-traffic malls, distributing brochures and providing practical financial knowledge to passing citizens. These efforts aim to enhance citizens' anti-fraud capabilities, improve financial literacy, and foster a societal environment where laws are understood, respected, and complied with.

#### **Case: Yangzhou Branch collaborates with outlets to conduct regular merchant education in Golden Eagle Shopping Center**

Yangzhou Branch, in collaboration with multiple outlets, regularly visited merchants in Yangzhou Golden Eagle Shopping Center and surrounding businesses. By targeting merchant-specific characteristics, the initiative alerts customers to identify the nature, characteristics, methods, and risks associated with illegal fundraising. It also emphasizes safeguarding personal information to effectively enhance risk prevention awareness and protect fund security.

#### **● Customers in rural areas**

The Bank organizes promotional teams to conduct “County-Level Consumer Protection Campaigns” through door-to-door outreach, aligning with national rural revitalization strategies to effectively strengthen rural financial consumers' financial risk awareness and literacy.

#### **Case: Lianyungang Branch promotes fundamental financial knowledge to address final-stage financial service challenges**

Lianyungang Branch focuses on resolving final-stage financial service delivery issues by conducting basic financial knowledge promotion activities in rural areas. The program helps farmers understand deposit insurance, RMB anti-counterfeiting, secure payment methods, and basic credit procedures. It also highlights high-incidence rural frauds, including illegal fundraising, telecom scams (e.g., fake law enforcement impersonation, false lottery wins, online brushing fraud), elder fraud, counterfeit currency traps, and high-yield “wealth management” schemes.

#### **Case: Nantong Branch establishes localized “Financial Literacy Classroom”**

The Jinsha Sub-branch of Nantong Branch transforms the “Financial Literacy Classroom” into a village service station at Sanxingjie Village. To address the financial knowledge gap among rural elderly populations, staff use local dialects and colloquialisms to convert complex financial jargon into accessible, memorable colloquial expressions. By analyzing recent telecom fraud and illegal fundraising cases, they teach the anti-fraud mantra: “Don’t trust, don’t disclose, don’t transfer”. Additional sessions cover RMB authentication, legitimate investment channels, and other practical skills, ensuring financial literacy is deeply rooted in rural communities.

### **(III) Privacy and data security**

The Bank attaches great importance to customer privacy and data security, continuously improving its management framework and institutional system while strengthening technical protection and risk control mechanisms. By enhancing information security training and promotion, advancing systematic security certifications, the Bank consistently enhances its data security governance capabilities and privacy protection standards, laying a solid foundation for secure, high-quality development.

## 1. Privacy and data security management structure

The Bank attaches great importance to privacy and data security management, establishing a privacy and data security management framework spanning the decision-making, management, and operational levels, and developing a top-down system for coordinated advancement and collaborative governance.

Board of Directors	<ul style="list-style-type: none"> <li>The Bank's Board of Directors assumes ultimate responsibility for IT risk management, overseeing the disclosure of IT risk management systems and ensuring the identification, assessment, measurement, monitoring, and control of IT risks.</li> <li>As the decision-making body for data security, the Board develops data strategies, approves or delegates approval for major data-related events, and bears primary accountability for the Bank's data security operations.</li> </ul>
Board of Directors Consumer Protection Committee, Risk Management Committee	<ul style="list-style-type: none"> <li>The Board may delegate partial IT risk management responsibilities to the Risk Management Committee, including reviewing IT risk monitoring reports submitted by senior management.</li> <li>The Consumer Protection Committee, established under the Board, guides and supervises senior management in effectively implementing consumer rights protection initiatives, particularly those related to financial information security, and regularly reviews progress reports submitted by senior management.</li> </ul>
Information Technology Management Committee, Data Management Committee	<ul style="list-style-type: none"> <li>The Bank has established an Information Technology Management Committee, chaired by the Bank President with the Chief Information Officer serving as deputy chair. The Committee oversees IT management activities and regularly reports the overall operations to the Board and senior management.</li> <li>Additionally, the Bank established the Data Management Committee, which is responsible for deliberating and deciding on data security matters, organizing deployments, and providing guidance and supervision while reviewing comprehensive data security efforts.</li> </ul>
All departments of the Head Office and branches	<ul style="list-style-type: none"> <li>The Digital Banking Management Department of the Head Office serves as the central authority responsible for data security management, and is the primary department accountable for data security; the Information Technology Department and Digital Banking Management Department of the Head Office act as technical safeguard departments for data security.</li> <li>All departments of the Head Office and branches adhere to the principle that the entity responsible for business management is also accountable for business data and data security, and shall be responsible for data security management within their respective business lines and implement data security requirements.</li> </ul>

	<ul style="list-style-type: none"> <li>• Leading departments in specialized fields are responsible for promoting and enforcing data security management requirements within their designated areas, continuously strengthening group-wide integrated data security governance.</li> <li>• The Audit Department of the Head Office is responsible for audit related to information system security.</li> </ul>
	<ul style="list-style-type: none"> <li>• All departments of the Head Office are responsible for overall planning and coordination of customer personal financial information protection within their respective business lines, covering responsibilities such as system improvement, internal control framework development, system controls, technical safeguards, implementation of third-party collaboration information protection requirements, and the development and execution of emergency response mechanisms as part of daily management duties.</li> <li>• All departments of the Head Office oversee management, guidance, inspection, evaluation, personnel administration, and training for customer personal financial information protection within their business lines; branches primarily handle the implementation of protection work within their jurisdictions, integrating them into all phases of business operations and management processes to ensure implementation of all work requirements.</li> </ul>

## 2. Privacy and data security policy

In accordance with *the Cybersecurity Law of the People's Republic of China*, *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, *Personal Information Protection Law of the People's Republic of China*, and *Implementation Measures of the People's Bank of China for the Protection of Financial Consumer Rights*, the Bank has formulated and implemented a series of policies, including the *Data Management Measures of Bank of Nanjing*, *Data Security Management Measures of Bank of Nanjing*, *Customer Personal Financial Information Protection Management Measures of Bank of Nanjing*, *Cybersecurity Management Measures of Bank of Nanjing*, and *Full Lifecycle Data Security Management Measures of Bank of Nanjing*. These documents comprehensively cover the entire lifecycle management of data, spanning collection, transmission, storage, use, sharing, and destruction, and apply to relevant business scenarios at the Head Office and all branches. They provide institutional foundations and operational guidelines for data security and customer information protection, effectively enhancing the Bank's data governance capabilities and privacy protection standards.

## 3. Privacy and data security management measures

The Bank fully implements privacy and data security management requirements, complies with personal information compliance obligations, and establishes enhanced full lifecycle data protection policy. It improves both proactive and passive defense systems, enhances comprehensive protection capabilities, strengthens third-party data security management, and continuously solidifies the foundation of data security to ensure that all information processing activities are secure, standardized,

and controllable.

### **3.1 Personal information compliance management**

#### **● Minimal information collection**

When collecting personal financial information, the Bank adheres to the lawful, reasonable, and necessary principles with explicit customer consent. It shall not collect customer personal financial information unrelated to its services, shall refrain from improper collection methods, nor covertly coercive practices. The Bank may not deny financial products or services to customers who decline information processing, unless such processing is essential for financial products or services provision. The Bank does not obtain personal data from third parties unless explicitly authorized by the individual or otherwise required by laws. The Bank's information collection methods and scope are as follows:

- Personal information voluntarily provided by consumers during service delivery;
- Service-related information generated during the financial services;
- Personal information collected from natural persons, legal entities, and other organizations that are legally authorized to retain personal information (e.g., credit bureaus, credit management companies, credit rating agencies), in compliance with laws and administrative regulations, where such data is necessary to deliver services to consumers.
- Other methods stipulated by laws, regulations, or with consumer authorization.

#### **● Personal information storage**

The Bank strictly complies with regulations on archive management and electronic data management, implementing technical and other necessary measures to properly maintain and store collected personal financial information, preventing loss, damage, unauthorized disclosure, or tampering. In the event of or potential occurrence of personal financial information loss, damage, unauthorized disclosure, or tampering, the Bank will notify customers in an appropriate way. The Bank will delete or anonymize data in accordance with national and industry regulations and any agreements with data subjects. Additionally, when entrusting data processing is terminated, the Bank requires service providers to promptly delete data to ensure complete and irreversible destruction.

#### **● Safeguarding the rights and interests of personal information subjects**

The Bank fully safeguards the legitimate rights and interests of personal information subjects, granting customers autonomous control over their personal information. Standardized and efficient channels for exercising rights are established to ensure timely and proper handling and response of customer requests regarding personal information access, correction, deletion, and other reasonable inquiries. For detailed procedures on responding to requests from personal information subjects, please refer to the *Key Points of Data Security and Customer Information Protection Management Policy of Bank of Nanjing*.

### **3.2 Full lifecycle data protection policy**

The Bank integrates data protection measures into the entire system development and operations process, ensuring all systems meet security and compliance requirements prior to launch. A pre-

production data security testing framework has been established, initiating specialized data security testing projects to embed data security controls into the full system development lifecycle. Through a standardized process of “testing case design – security validation – risk remediation”, the Bank comprehensively identifies and addresses system vulnerabilities, configuration flaws, and risks associated with sensitive data usage. This ensures 100% compliance with data security reviews before system deployment, enabling a closed-loop management system from risk identification to resolution and verification. This approach guarantees dual objectives of system and data security, enhancing overall IT governance and business continuity reliability.

### 3.3 Enhancing data security technologies and measures

#### ● Proactive defense

The Bank continuously strengthens information security management, focusing on network perimeter protection, system security safeguards, data protection enhancement, internal/external access control, and cybersecurity effectiveness evaluation. These efforts aim to improve the Bank’s data security standards, ensuring data assets are securely controlled and business operations remain stable and orderly.

<b>Network perimeter protection</b>	<ul style="list-style-type: none"> <li>Self-developed a network asset attack surface management system to systematically sort out internet-connected assets, hosts and terminals, thereby minimizing the exposure surface.</li> <li>Strengthened external internet exit security monitoring. Relying on the Internet API Monitoring System, proactively identify and block phishing websites, spoofing websites, and counterfeit applications to prevent unauthorized acquisition of customer information.</li> </ul>
<b>System security safeguards</b>	<ul style="list-style-type: none"> <li>Established an enterprise-level financial technology risk verification database, forming a “verification—patching—reverification” technical closed loop to proactively identify and fix system vulnerabilities.</li> <li>Implemented “Two Highs and One Weakness” (high-risk vulnerabilities, high-risk ports, and weak passwords) potential risks identification and remediation, developing differentiated fixing strategies targeting these risks.</li> </ul>
<b>Data protection enhancement</b>	<ul style="list-style-type: none"> <li>Strengthened data protection: Built a sensitive data scanning and desensitization framework. Established an intelligent scanning system for sensitive data in development and testing environments. Achieved reduction of existing sensitive data through dynamic zeroing technology. Combined automated scanning tools with manual verification to enable a closed-loop management process from “identification to resolution and verification”.</li> <li>Developed an intelligent data desensitization platform, completed selection and deployment of static data desensitization solutions, and constructed multi-dimensional desensitization capabilities at file, database, and big data script levels.</li> <li>Optimized production data recovery processes, established a</li> </ul>

	<p>“ desensitization—archiving—recovery” three-tier control system to achieve dual safeguards for data availability and security.</p> <ul style="list-style-type: none"> <li>Established terminal-sensitive data protection networks, implemented periodic intelligent scanning programs for sensitive files on office terminals, and utilized specialized detection tools to enable dual-track operations involving tool identification and manual review.</li> </ul>
<b>Internal and external access control</b>	<ul style="list-style-type: none"> <li>The Bank provides customized data security capabilities for sensitive data management, implementing access control and encrypted transmission/storage for sensitive personal information, and applying de-identification technologies for data desensitization to enhance overall data security.</li> <li>Optimized facial recognition authorization logic to reduce unnecessary repeated authorization processes, improving customer convenience. Improved the security authentication system by incorporating critical operations such as “password reset” into risk management, verifying customer identities through facial recognition to ensure account security and controllability.</li> <li>Enriched security authentication methods: Added NFC verification, device number recognition, and transaction password authentication to the existing facial recognition and SMS verification framework, offering customers flexible and secure authentication options.</li> <li>Continuously optimized risk control rules, dynamically adjusting risk control logic based on system operations and customer behavior characteristics, minimizing interference with normal customer operations while ensuring security, and comprehensively enhancing user experience and security protection levels.</li> </ul>
<b>Cybersecurity effectiveness verification</b>	<ul style="list-style-type: none"> <li>The Bank conducts cybersecurity effectiveness verification, actively participates in national and industry-organized cybersecurity attack-defense drills, enhances employee security awareness and protection capabilities, and continuously upgrades the Bank's cybersecurity defense system through attack simulation-based defense optimization.</li> <li>In 2025, the Bank conducted in-depth security protection and risk identification, and continuously strengthened cybersecurity management capabilities and technical defense levels, with cybersecurity drills focused on nine areas covering organizational safeguards, asset management and risk convergence, change management, vulnerability management, security defense systems, security operations, outsourcing management, emergency response, and business continuity. During the drills, no major cybersecurity risk incidents occurred, and all information systems operated securely, stably, and efficiently. Through these drills, the Bank further improved its layered defense system, significantly enhancing its cybersecurity protection capabilities and emergency response levels.</li> </ul>

● **Passive defense**

The Bank has established the *Emergency Management Measures for Data Security Incidents of Bank of Nanjing* and the *Emergency Response Plan for Data Security Incidents of Bank of Nanjing*, clarifying emergency response principles and procedures for data security incidents to strengthen capabilities in managing data security emergencies. Additionally, the Bank regularly conducts Bank-wide emergency drills targeting data security risk scenarios such as data breaches, data misuse, data tampering, and data theft. These drills further validate the effectiveness of emergency response processes and measures, enhancing the Bank's response capabilities for data security incidents.

### 3.4 Third-party management

The Bank formulated specialized regulations including the *Notice on Strengthening Consumer Rights Protection in the Management of Third-Party Partners* and the *Outsourcing Risk Management Measures of Bank of Nanjing*. These documents systematically integrate consumer rights protection requirements and personal information protection requirements into the entire management process of third-party partners.

#### ● Third-party assessment

The Bank strictly implements preliminary risk assessments for third-party collaborations, systematically reviewing the necessity, legality, and security of sharing personal financial information with third parties, and comprehensively evaluating potential customer risks and the counterparty's data protection capabilities. For unassessed partners or those with identified significant risks, the Bank will not share any personal financial information.

Principles for data disclosure:

- **Lawfulness, legitimacy, and necessity:** The purpose, methods, and scope of data disclosure must adhere to the principles of "lawfulness, legitimacy, and necessity".
- **Data authenticity and reliability:** The Bank shall ensure the quality of disclosed data and explicitly prohibit providing false or misleading information.
- **Discloser Accountability:** The principle of "discloser accountability" applies to data disclosure security management, requiring compliance with the Bank's data security regulations.

#### ● Customer notification and consent

In situations where it is indeed necessary to provide personal financial information to third parties, the Bank will first provide customers with full disclosure regarding the purpose of information provided, the name and type of the third-party cooperation institution, the specific purposes, scope, and potential consequences of the third-party's collection, processing, and use of personal financial information, and obtain the customer's explicit prior consent. The Bank shall, upon obtaining the customer's consent, only provide personal information for lawful, legitimate, necessary, and clearly defined purposes, and only disclose the minimum amount of information necessary for the service, unless otherwise required by law and regulations.

#### ● Management of data entrusted to third parties

The Bank strengthens third-party data management by continuously refining cooperation agreements to clearly define both parties' responsibilities, rights, and obligations regarding consumer rights protection and personal information protection, ensuring external collaborations meet legal



compliance and security control standards. Key agreement terms include:

- Purpose, method of provision, scope, volume, and permitted storage duration of data provided;
- Data security protection responsibilities of both the Bank and the entrusted party;
- Data security protection obligations of both parties, include but are not limited to the following: the entrusted party shall promptly inform the Bank of any potential data breaches or other critical incidents; the entrusted party shall accept and cooperate with the Bank's supervision of the entrusted processing activities; the entrusted party shall not subcontract data processing to any other entity without the Bank's prior consent; the entrusted party shall not share data externally; the entrusted party shall not process, train, misuse, or otherwise handle data in any way to obtain benefits beyond those agreed in the contract or agreement; the entrusted party shall delete data promptly upon termination of the cooperation relationship;
- Appropriate security protection measures to be implemented;
- Methods and procedures for timely return and deletion of data.

#### ● **Supervision and inspection by third-party institutions**

The Bank strengthens its supervision and inspection policy for third-party partners. For entrusted processing scenarios, third-party performance is assessed annually, covering data security protection capabilities, data processing activities, and data security protection measures. In addition, the Bank conducts annual inspections of data provision activities by data-providing entities. The inspection scope shall include, but is not limited to, the implementation of assessment procedures, the implementation of data security measures, and the retention of assessment records.

#### **4. Privacy and data security training**

The Bank conducts privacy and data security training for all full-time and outsourced employees. The privacy training programs integrate customer personal financial information protection knowledge, focusing on relevant laws, rules and regulations, regulations of financial regulators on customer personal financial information protection, as well as internal employee code of conduct and professional ethics. It extensively initiates the "Consumer Rights Protection Review Practices for Financial Institutions Training" and bank-wide financial consumer rights protection knowledge assessments. These efforts have significantly enhanced awareness and capabilities in protecting personal financial information across the Bank.

The data security training covers data security laws and regulations, the Bank's internal rules and policies, and operation processes under key scenarios. The Bank also provides security education or training for service providers and outsourcing personnel involved in cooperations, and requires service providers to conduct necessary security education or training for their service team members, to ensure the effective implementation of control measures.

#### **5. Information security system audit**

The Bank organizes annual internal special audits on consumer rights protection covering personal information protection. Additionally, it conducts at least one annual internal special audit on information technology (IT) related risk, covering data security management, IT risk management, business

continuity, system development and go-live management, and system operation and maintenance management. Furthermore, the Bank engages independent third-party for financial audits annually, covering IT governance and program change management, with a focus on IT empowerment and risk management. In the first three quarters of 2025, the Bank conducted the *Data Security Management Special Audit of Bank of Nanjing*, the *IT Risk Management Special Audit of Bank of Nanjing*, and the *2025 Business Continuity Management Special Audit of Bank of Nanjing*.

## **6. Information security management certification**

The Bank is committed to enhancing overall information security and privacy protection capabilities by pursuing internationally recognized information security management certifications. It has achieved ISO 27001 Information Security Management System (ISMS) certification, covering IT-related activities including information system development, operation and maintenance, IT business continuity management, IT risk management, and IT outsourcing management.

## **(IV) Access to finance**

The Bank has always upheld the principle of serving the people through finance, continuously improving its inclusive financial service system, intensifying support for rural revitalization, and advancing innovation in its product portfolio and service optimization. The Bank has expanded its multi-channel reach both online and offline, effectively enhancing the accessibility, convenience, and coverage of financial services, with a commitment to delivering more precise, efficient, and inclusive financial support.

### **1. Deepening inclusive financial services**

The Bank is dedicated to building a high-quality inclusive financial service system, guided by the principles of serving the real economy and promoting people's livelihoods. It continuously refines its inclusive financial product portfolio and improves service quality and efficiency to meet the diverse financial needs of small- and micro-sized enterprises (SMEs), agriculture-related sectors, and other underserved areas.

#### **1.1 Refining the inclusive finance management framework**

The Bank proactively adapts to developmental trends by actively advancing structural reforms in inclusive finance. At the Head Office level, it has actively responded to and implemented the work requirements of the Party and the state regarding the "Five Major Areas of Finance". The Small Enterprise Finance Department has been restructured into two specialized units: the Inclusive Finance Department (Rural Revitalization Finance Department) and the Science and Technology Innovation Finance Department. This restructuring further clarifies division of responsibilities and establishes a professional, specialized management system. In addition, an efficiently integrated "Head Office-Branch-Sub-branch" three-tier service network has been established to ensure smooth policy promotion and reasonable resource allocation.

The Bank's Head Office has established SME Financing Services Task Force, which is responsible for deliberating and approving the bank-wide implementation plan and target framework for SME financing services, as well as organizing, guiding, and supervising the execution of these services throughout the organization. The Task Force is chaired by the Bank's President, with vice-chairs comprising senior management from key business units including Corporate Finance, Retail Finance, Risk Management, and FinTech, while members include heads of major departments such as the Small

Enterprise Finance Department, Corporate Finance Department, Retail Finance Department, and Credit Approval Department at the Head Office.

In 2025, the Task Force developed the bank-wide implementation plan and target framework for SME financing services, outlining key initiatives and action priorities. In alignment with this, 17 branch-level task forces and 148 sub-branch-level task forces are established across branches and sub-branches, following the Head Office’s structural model. The Bank will launch a “Large-scale On-site Visit Campaign for Thousand Enterprises and Ten Thousand Households” across all levels, conducting precise outreach to identify and address SME financing needs, thereby deepening and solidifying the mechanism for coordinated support of SME financing.

## 1.2 Strengthening support for inclusive finance

The Bank continues to enhance its inclusive financial system and intensify credit support for inclusive client groups. As of the end of the third quarter of 2025, the balance of inclusive SME-Loans reached RMB156.106 billion, representing an increase of RMB21.719 billion compared to the beginning of the year, or a growth rate of 16.16%, accounting for 12.27% of the Bank’s total loan portfolio. The number of loan accounts reached 53,006, an increase of 7,355 from the beginning of the year.

The Bank is further strengthening credit support for underserved groups, including new urban residents, through active optimization of financial products and service models. In response to the needs of “urban youth”, the Bank offers preferential policies with low entry barriers and competitive interest rates, effectively addressing their financing needs during the early stages of entering society. As of the end of the third quarter of 2025, the Bank has served over 20,000 “urban youth”, providing consumption credit totaling RMB1.89 billion. Additionally, the Bank has developed dedicated financial services tailored to “new urban residents”, including delivery riders. By the end of the third quarter of 2025, the Bank had served nearly 100 delivery riders, extending total loan disbursements exceeding RMB2.4 million.

## 1.3 Innovating the inclusive financial product portfolio

The Bank has established a comprehensive inclusive financial product portfolio, offering a diverse range of scenario-based financial products and services tailored to SMEs, individual business owners, technology-driven small and medium-sized enterprises, and agricultural clients, effectively meeting the varied financing needs of different inclusive client groups.

<p><b>Targeting SMEs, technology-driven small and medium-sized enterprises, and individual business owners</b></p>	<ul style="list-style-type: none"> <li>The Bank has established a standardized product portfolio under the “Xin e SME Loan” initiative, leveraging standardized designs based on “collateral +” and “taxation +” to meet the diverse financing needs of different types of SMEs. The overall client reach has approached 240,000. Among these, “Xin Tax e-Loan” focuses on unlocking the value of tax data, providing convenient financing support to enterprises with strong tax payment records. “Xin Insurance Loan”, developed in collaboration with Sinasure, is a specialized product tailored for SMEs holding credit insurance policies. “Xin e Tech Enterprise” enables enterprises to access online financing of up to RMB10 million through one-click scanning and intelligent, instant approval, fully leveraging its</li> </ul>
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	<p>advantages of convenience, intelligence, and ease of use, significantly enhancing the financing experience for technology-driven enterprises. As of the end of the third quarter of 2025, the product has served over 26,800 enterprises and provided pre-approved credit totaling RMB25.3 billion.</p> <ul style="list-style-type: none"> <li>• The Bank focuses on scenario-based, integrated financial services by launching “Sheng Yi Jia · Xin Long Loan”, a digital, unsecured personal business loan product designed for individual business owners and SMEs. With the introduction of “Xin Long Loan”, the Bank’s personal business loan framework has been further strengthened, forming a diversified product landscape covering mortgage and unsecured loans, as well as online and offline channels, thereby better addressing the multi-tiered financing needs of SMEs.</li> <li>• The Bank has deeply participated in provincial and municipal risk-sharing mechanisms, launching a series of innovative products including “SME-Loan”, “Jiangsu Rural Revitalization Loan”, and “Jiangsu Tech Loan”. To date, cumulative loan disbursements have exceeded RMB50 billion, serving over 13,000 clients and significantly expanding service coverage.</li> <li>• The Bank has introduced “Maker Loan” specifically for individual business owners, offering dedicated policies and preferential campaigns to support entrepreneurial clients and help alleviate their operational challenges.</li> </ul>
<b>Targeting new urban residents, university graduates, and newly employed individuals etc.</b>	<ul style="list-style-type: none"> <li>• The Bank launched the credit card installment product “Xin Yi Fen”, effectively reaching multiple client groups and providing financial support to new urban residents, university graduates, and similar groups to help them build a better life.</li> <li>• For IT professionals and skilled workers, the Bank developed specialized products, “Geek Loan” and “Craftsman Loan”, to enhance their consumption quality. At the same time, the Bank has deepened its focus on more granular, niche client groups, introducing differentiated and precise service strategies for groups such as employed postgraduates and talent with professional qualifications, as well as targeted promotional events like the “Medical Staff Festival” and “Geek Festival” to further improve the accessibility and convenience of consumer credit services.</li> </ul>
<b>Launching collaborative innovation loan products</b>	<ul style="list-style-type: none"> <li>• Actively explore new models of inclusive finance, collaborating with MYbank to launch the MYbank Loan Partnership Program. This product leverages the traffic advantages and big data analytics capabilities of internet platforms, integrating cutting-edge technologies such as cloud computing and machine learning to provide convenient operating capital support for online e-commerce merchants, offline POS merchants, and rural business entities. It effectively addresses financing challenges faced by SMEs and individual business operators, delivering inclusive financial services and injecting sustained vitality into the real economy.</li> </ul>

## 1.4 Enhancing inclusive financial service capabilities

The Bank has actively responded to the joint initiative issued by the China Payments & Clearing Association and the China Banking Association titled *Guidelines on Encouraging Reduction of Payment Fees for SMEs*, effectively lowering operating costs for SMEs. The Bank has advanced efforts to improve the payment environment for SMEs by implementing preferential fee reductions on payment and settlement services, including bank account opening, RMB transfer and remittances, and electronic banking services, for SMEs and individual business owners.

At the same time, the Bank is enhancing its comprehensive financial service capabilities by addressing key pain points such as “difficulty in account opening” and “complexity in handling business processes” for SMEs. The Bank is committed to building a more efficient and convenient integrated financial service system, promoting data sharing and business collaboration between government and banking sectors, and continuously improving the end-to-end service experience throughout the entire enterprise lifecycle.

### **Case: Innovation through government-bank collaboration to enhance the convenience of comprehensive financial services**

Bank of Nanjing’s Jiangbei New Area Branch has actively explored new models of government-bank cooperation, focusing on the comprehensive financial needs of newly established enterprises, particularly in account opening and financing. By partnering with the Jiangbei New Area Administrative Approval Bureau, the branch has advanced cross-departmental data sharing and process integration. By breaking down data silos, high-frequency services such as enterprise registration, policy application, and financial services have been consolidated into bank branches, enabling enterprises to complete the entire process, from business registration to access to financial services, through a “one-stop” platform. This allows enterprises to “enter one door, handle multiple matters”, significantly reducing processing time and lowering operational costs.

## 2. Supporting rural revitalization

The Bank has actively implemented the national rural revitalization strategy, leveraging its strengths in resource allocation and service innovation to continuously improve the rural financial service system. Through coordinated efforts across multiple dimensions, including strategic planning, institutional development, product innovation, technological empowerment, risk management, and talent cultivation, the Bank is actively exploring differentiated pathways for rural development. It is driving the transformation of rural financial services from “offline service” to “online service”, and from “traditional service” to “innovative service”, providing robust financial support for stronger agriculture, better rural areas, and wealthier rural residents.

### 2.1 Refining the top-level design for rural revitalization

The Bank continues to strengthen its organizational framework for rural revitalization by establishing a Rural Revitalization Work Leading Group to oversee the coordinated implementation of the bank-wide rural revitalization strategy. The Head Office established the Inclusive Finance Department (Rural Revitalization Finance Department) to centrally manage business planning, policy formulation, and resource allocation. Additionally, Rural Revitalization Finance Departments have been set up at all 17 branches and every comprehensive sub-branch (including county-level branches),

creating a vertically integrated, bank-wide organizational structure that enhances the systematic and coordinated delivery of rural financial services.

The Bank has implemented dedicated performance appraisal and incentive mechanisms for rural revitalization, incorporating the net increase in inclusive agricultural loans into the key performance indicators for branches. The evaluation system also includes metrics such as net growth in agricultural loans, promotion of specialty agricultural businesses, development of rural revitalization models, channel expansion, and execution of targeted outreach initiatives.

In alignment with the *Notice on Carrying Out the Learning and Application of the “Thousand villages are selected as models, ten thousand villages are expected to undergo significant transformations” to Strengthen Financial Support for Comprehensive Rural Revitalization*, the Bank has developed the *2024–2025 Financial Support Action Plan for “Food Security”* and the *Action Plan for Promoting Major Agricultural and Rural Projects and the Development of Facility Agriculture*. By tailoring these initiatives to local agricultural and rural conditions, the Bank is delivering differentiated, specialized financial service solutions, significantly improving the quality and effectiveness of rural financial services.

## **2.2 Optimizing agricultural credit products and services**

The Bank continues to strengthen financial support for rural tourism, smart agriculture, green agriculture, and facility agriculture, enhancing the synergy between policy-driven finance and commercial finance. It actively supports the development of agricultural industrial chains, specialty agricultural products, and major rural projects. As of the end of the third quarter of 2025, the Bank’s agricultural loans balance reached RMB154.727 billion, an increase of RMB11.183 billion compared to the beginning of the year, providing strong financial backing for rural infrastructure and governance, as well as agricultural industrial development.

### **● Focusing on the core responsibility of ensuring food security**

The Bank is committed to strengthening the foundation of food security by increasing credit support for key areas such as summer grain procurement and the construction of high-standard farmland, while innovating a full-industry-chain financial service model for grain. Since 2022, the Bank has partnered with Jiangsu Grain and Oil Commodity Trading Market to launch the “Grain Procurement Loan” financial product, offering differentiated and precise solutions tailored to grain procurement, storage, and marketing stages. In 2025, the Bank and the trading market advanced the digital transformation of the product and expanded its scope beyond local reserve grain suppliers in Jiangsu Province to cover the entire grain industry chain, continuously refining the product offering.

In addition, building on the existing “Grain Procurement Loan” product, the Bank has promoted grain supply chain finance by launching the “Warehouse Receipt Pledge Supply Chain” product to address inventory turnover pressures faced by grain enterprises. This product has already been successfully implemented in Sihong County, Suqian City, and the Bank will accelerate its replication and nationwide rollout across Jiangsu Province, supporting the healthy development of the provincial grain market.

<b>Case: Proactively engaging in summer grain procurement services to support stable production and purchasing in Jiangsu’s wheat market</b>
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In May 2025, invited by the Jiangsu Grain and Oil Commodity Trading Market, the Bank's Head Office and Yangzhou Branch participated in the Jiangsu Provincial Wheat Market Outlook Conference held in Yangzhou. The meeting primarily targeted provincial state-owned grain reserve warehouses and key grain trading entities. The Bank actively engaged in discussions, gaining early insights into the projected summer harvest wheat output, procurement plans, and market price trends, enabling timely assessment of financing needs. Following the conference, branches across the province swiftly initiated on-site visits to key grain brokers and procurement enterprises, identifying financing demands ahead of the summer harvest. The Bank accelerated financing coordination, ensuring precise financial services during the critical procurement period and providing strong financial support for stable grain production and reliable purchasing in Jiangsu.

### ● Providing integrated financial support for the agricultural industrial chain

The Bank continues to deepen its agricultural industrial chain financial services, adapting to the structural evolution of the agricultural value chain by promoting the “leading enterprise + cooperative + agricultural household” model. This approach extends financial services across all stages of agricultural production, including planting, processing, and distribution. Leveraging the agricultural industrial chain ecosystem, the Bank implements tailored financial solutions, “one industrial chain, one strategy”, offering diversified financing services such as accounts receivable pledge, factoring, and order financing to core enterprises and their upstream and downstream entities.

At the same time, the Bank actively innovates in rural finance by strengthening collaboration with local governments and risk guarantee institutions, establishing risk compensation funds, moderately relaxing collateral and guarantee requirements, and exploring new business models of “new business model + new entity” that incorporate rural land contract management rights pledges, forest rights pledges, live livestock pledges, and insurance policy enhancement. Additionally, the Bank provides online credit loans to producers of geographically indicated agricultural products, further enhancing financing accessibility and boosting vitality within specialty agricultural sectors.

### **Case: Focusing on “One County, One Specialty” to drive the development of Yancheng’s local agricultural products**

Yancheng Branch, Bank of Nanjing, leveraging the region’s unique resource endowments, actively implements the “One County, One Specialty” strategy by closely collaborating with local agricultural and rural affairs bureaus, government-led agricultural industry integration platforms, and industry associations. Centered on local geographically indicated agricultural products, including Sheyang Rice, Dongtai Watermelon, Xiangshui West Flower Broccoli, and Sheyang Yangma Chrysanthemum, the branch has developed targeted credit programs. By focusing on leading agricultural enterprises, clustered processing firms, farming producers, and integrated agricultural service providers, the branch delivers precise financial support through a bulk credit approval model, with a cumulative credit application totaling RMB283 million. In collaboration with Jiangsu Yangzhou Credit Financing Guarantee Co., Ltd., the branch offers a “Guarantee upon Loan Approval” service, enhancing enterprises’ access to financing through policy-backed guarantees.

With dedicated credit resources, the Bank’s financial services now span key stages of the agricultural value chain—production, processing, and distribution—effectively promoting the

standardization, scale-up, and modernization of local specialty agricultural industries. This support has provided a solid financial foundation for Yancheng to build competitive, distinctive agricultural industry clusters.

### ● **Cultivating leading talents in rural industries**

The Bank is advancing the “New Farmer Cultivation Program”, offering a range of customized loan products to various types of talent in rural areas. It provides scenario-based finance and supply chain financing services to the talent teams they lead and the industrial clusters they are part of. To respond quickly to customer needs, the Bank has innovatively launched an online standardized product—the “New Farmer” Special Loan—providing eligible talent with unsecured, fully online credit loans of up to RMB1 million, for use in normal agricultural production and operations. This product leverages the “Jiangsu Rural Revitalization Loan” platform to integrate big data from agriculture and rural areas, accurately matching the needs of early-stage, light-asset new farmers.

### ● **Supporting rural cultural and tourism development**

The Bank has launched products such as homestay construction loans and cultural tourism project loans, focusing on rural tourism and leisure agriculture, to ensure precise allocation of financial resources, alleviate financing challenges for village-level projects, support the integrated development of the entire agri-tourism industry chain, and foster internal driving forces for rural revitalization.

#### **Case: Financial empowerment for rural revitalization – A model example supporting the full industrial chain development of agriculture, tourism, and rural culture in Mugou Ancient Village**

The Bank has adopted a financial support model centered on “ecological restoration + cultural preservation + industrial integration” to deliver a cumulative project loan of RMB170 million for the Funing Mugou Ancient Village and its homestay enhancement initiative. The project focuses on ecological slope protection and biodiversity restoration, while developing specialized aquaculture bases for crab farming, lotus root and crayfish co-cultivation, thereby expanding and enhancing green industries. Concurrently, the project has improved rural living environments by upgrading village aesthetics, green spaces, and transportation infrastructure. In addition, the Bank has provided financial support to establish “Intangible Cultural Heritage Workshops”, transforming traditional craft studios into immersive, experience-driven spaces that combine industry with agricultural tourism. Upon completion, the project has received multiple provincial honors and was recognized as one of the “Most Charismatic Rural Tourism Destinations in China”, serving as a benchmark model for rural revitalization.

### ● **Advancing rural infrastructure improvement**

The Bank focuses on key areas such as rural wastewater treatment, ecological restoration, improvement of living environments, and modern facility-based agriculture within the context of rural infrastructure development and green transformation. By providing rural infrastructure construction loans, the Bank supports the modernization and upgrading of rural facilities, contributing to enhanced living conditions for rural residents.



● **Digital and intelligent transformation of agricultural credit**

Driven by digital and intelligent transformation, the Bank continues to strengthen its integrated online-offline operational capabilities, significantly improving the quality and efficiency of digital services for new types of agricultural business entities.

<b>Garlic e-Loan</b>	<ul style="list-style-type: none"> <li>The Bank launched the “Garlic e-Loan” product, leveraging Internet of Things (IoT), blockchain, intelligent AR, and big data technologies. In collaboration with Shuifa Supply Chain Management Co., Ltd. and garlic cold storage enterprises, it enables garlic dealers to complete the entire loan process online, including online application, real-time approval, electronic contract signing, and instant disbursement, through electronic warehouse receipt pledges.</li> </ul>
<b>Warehouse Receipt e-Loan</b>	<ul style="list-style-type: none"> <li>Building on the “Garlic e-Loan” product, the Bank has iteratively upgraded and launched the “Warehouse Receipt e-Loan” product, breaking the limitation of single pledged assets by expanding the eligible collateral to include processed agricultural products such as garlic slices, chili peppers, peanuts, as well as primary agricultural commodities. It has established a full-process service system integrating “warehouse receipt pledge + blockchain traceability + scenario-based risk control”.</li> <li>The product employs IoT devices from supervised enterprises to monitor storage conditions in real time and enhances dynamic valuation capabilities for pledged assets, effectively mitigating risks associated with seasonal price fluctuations in agricultural products.</li> <li>With continuous product iteration, the Bank has systematically adjusted and upgraded parameters including pledged asset ratios, individual loan limits, project quotas, and cooperating third-party partners, making the product better aligned with market dynamics and actual customer needs. Meanwhile, the service scope has expanded from Xuzhou to major agricultural production regions such as Shandong and Henan, significantly broadening its coverage.</li> </ul>
<b>Jiangsu Rural Revitalization Loan</b>	<ul style="list-style-type: none"> <li>The Bank has innovatively launched the standardized “Jiangsu Rural Revitalization Loan” product, fully leveraging tax data, credit data, and data from the “Jiangsu Rural Revitalization Cloud” platform. By implementing a “single product, dual-engine” model, it achieves intelligent approval and diversified applicant eligibility, enabling new agricultural business entities such as agricultural enterprises, farmer cooperatives, and family farms to instantly obtain credit limits with one-click QR code scanning, and complete online contract signing and loan disbursement seamlessly.</li> <li>To further expand the coverage of the “Jiangsu Rural Revitalization Loan” business, the Bank has actively collaborated with the Jiangsu</li> </ul>

	<p>Provincial Department of Agriculture and Rural Affairs. By fully utilizing the real-time data entry mechanism of “Jiangsu Rural Revitalization Loan”, the Bank guides its provincial branches to focus on local new agricultural business entities, encouraging their application for inclusion in the database. Through integrated use of online and offline channels, leveraging the broad reach of online touchpoints and the specialized depth of offline services, the Bank provides convenient and efficient credit services to registered new agricultural business entities.</p> <ul style="list-style-type: none"> <li>For new agricultural business entities within the province, the Bank is actively exploring the expansion of online “Jiangsu Rural Revitalization Loan” services by joining the “Jiangsu Rural Revitalization Cloud” platform of the Jiangsu Provincial Department of Agriculture and Rural Affairs. It targets agricultural clients such as family farms, agricultural cooperatives, and large-scale producers in crop and livestock farming, incorporating data on agricultural insurance, government subsidies, land circulation, agricultural machinery subsidies, and purchase records of agricultural inputs. Through big data analytics and technological empowerment, the data is processed via advanced models and integrated with decision-support frameworks.</li> </ul>
<b>Deepening technological empowerment</b>	<ul style="list-style-type: none"> <li>The Bank integrates big data intelligence into the credit business process, leveraging various operational data and credit information to build customer profiles for precise customer acquisition and support online credit limit determination.</li> <li>The Bank establishes a closed-loop business model combining “data + scenario + ecosystem”, utilizing government data, the Credit Access Expressway, and agricultural industry chain data to develop multi-dimensional, dynamic credit assessment models covering agricultural households, cooperatives, and agricultural enterprises, driving automation in credit evaluation for agricultural-related businesses.</li> </ul>

### **3. Enhancing online and offline service reach**

The Bank continues to refine its integrated online and offline service system. On the offline front, the Bank optimizes branch network layout to achieve full coverage of county-level branches, completes the comprehensive aging-friendly transformation of all branches, and expands non-branch offline service scenarios by launching convenient services such as “Financial Services at Home”. On the online front, the Bank continuously upgrades our mobile banking, WeChat banking, and remote financial services channels to enhance service accessibility and coverage.

#### **3.1 Promoting offline channel coverage**

##### **● Expanding service networks**

The Bank continues to advance the construction of branch channels and scientifically optimize branch network layout, aiming to establish a widely distributed and convenient network of branches.

As of the third quarter of 2025, the Bank has established 17 branches covering Jiangsu Province, Beijing, Shanghai, and Hangzhou, with a total of 289 operating branches under its jurisdiction. This has significantly enhanced regional service capabilities and improved customer reach.

Building on this foundation, The Bank continues to strengthen its county-level financial service system, actively deepening its presence in county markets and improving service capacity. As of the third quarter of 2025, The Bank has achieved full coverage of comprehensive branches in all counties within the province, with a total of 58 outlets. This has extended the reach of financial services to numerous towns and county-level areas, providing solid support for local economic development.

### ● **Aging-friendly and digital transformation of branches**

The Bank has actively promoted aging-friendly transformation of its branches to continuously enhance the service experience for elderly customers. All branches are equipped with aging-friendly and convenient facilities, including reading glasses, magnifying glasses, senior-friendly seating, wheelchairs, blood pressure monitors, and health-related reading materials. Certain branches have additionally installed barrier-free access pathways, barrier-free parking spaces, emergency call buttons, barrier-free restrooms, and sit-to-stand assistance devices, further improving the accessibility and comfort of financial services for seniors. As of the third quarter of 2025, all 289 branches have met the basic requirements for aging-friendly transformation, with 53 branches recognized as “Jiangsu Banking Industry Civilized and Standardized Service Elderly-Friendly Branches”.

In terms of digital transformation, the Bank has advanced service innovation by leveraging digital tools such as mobile tablets. These devices enable service managers to instantly access customer profiles, product holdings, and personalized customer portraits, allowing them to quickly understand customer characteristics and efficiently recommend suitable products and services. Additionally, service managers can use mobile tablets to handle individual account openings, comprehensive signing, fund transfers, and information updates, transforming previously paper-based, manually filled forms into fully digital, online submissions. This significantly streamlines the service process, enhances customer experience, and improves overall operational efficiency within branches.

### ● **Innovation in non-branch offline channels**

The Jiangbei New Area Branch has signed co-construction agreements with multiple communities, leveraging shared resources to establish “Financial Service Hubs” within community service centers, thereby building an agile and efficient people-friendly service matrix. Equipped with mobile terminals, these hubs regularly assign client relationship managers to provide on-site services, bringing high-frequency financial services, such as social security card activation and individual pension account setup, directly to residents’ doorsteps, significantly enhancing the accessibility of financial services, particularly for elderly individuals and new urban residents.

The Bank has also developed the “Xin e Agriculture” specialized section, deepening cooperation with the Jiangsu Grain and Oil Commodity Trading Market to build an integrated service channel covering both online and offline platforms. Targeting key stages in the grain industry, including procurement, warehousing, processing, and sales, the Bank provides convenient and efficient credit services to clients across the entire grain industry value chain.

### ● **Innovation in home-Based financial services**

The Bank has launched the “Goods Delivered to Your Door” initiative, exploring a delivery model that combines physical item dispatch with on-site service provision. To implement this initiative, the Bank offers online application for personal services such as replacement or re-issue of cards and issuance of credit certificates, as well as for corporate services like confirmation letters, with all items mailed directly to customers’ homes. As of the third quarter of 2025, the Bank has completed over 66,000 such transactions through this service, providing significant convenience to our customers.

To further enhance the customer experience for corporate account opening, the Bank introduced the “Delivery at Door” on-site account opening service, offering a one-stop, door-to-door solution covering corporate account opening and comprehensive contract signing. This service dramatically improves user experience by transforming the traditional model—where enterprises had to travel to branches—for a new paradigm in which the bank comes to the enterprise. This shift significantly reduces time and labor costs for businesses, especially benefiting startups and companies with heavy operational workloads. As of the third quarter of 2025, the “Delivery at Door” service brand has supported over 15,000 enterprises, greatly improving account opening efficiency and overall customer satisfaction.

### **3.2 Strengthening innovation in online channels**

#### **● Mobile banking**

The “Bank of Nanjing App” serves as the primary interface for customer service and the core platform for customer management. It continuously delivers a rich array of financial and non-financial services. The app integrates intelligent customer service and AI-powered assistant “Jingjing”, providing real-time support to address customer inquiries. Additionally, it offers accessibility options such as a large-font version and an English version to better serve specific client groups.

<b>Financial services</b>	<ul style="list-style-type: none"> <li>Rooted in actual customer needs, the Bank continues to enhance online financial scenarios by launching the mobile number update service. Customers can now update their registered mobile numbers online after verifying their identity information, the new mobile number, and undergoing remote video-based manual verification. This enables quick, door-to-door processing of financial services without the need to visit a branch.</li> <li>The Bank has introduced the “Cash Reservation” feature, enabling customers to pre-select a branch, amount, and preferred time slot online. Upon arrival, they can be served immediately—on-the-spot, no waiting—effectively eliminating the need to wait in line.</li> </ul>
<b>Non-financial services</b>	<ul style="list-style-type: none"> <li>The Bank offers customers a wide range of non-financial scenario-based services, including utility payments, mobile phone top-ups, meal vouchers, tuition fees, and non-tax government payments.</li> <li>The Bank is advancing the construction of the “Xin Happy Life” pan-financial ecosystem, focusing on seven key lifestyle segments—clothing, food, housing, transportation, entertainment, viewing, and health—by launching various tailored and differentiated marketing initiatives. The goal is to build an integrated platform that seamlessly reaches, serves, and engages customers</li> </ul>

	within everyday life scenarios.
<b>Service intelligence</b>	<ul style="list-style-type: none"> <li>In the area of service intelligence, the Bank continues to deepen the development and application of intelligent search and recommendation systems. By leveraging data tagging to integrate internal bank products and customer data, and utilizing algorithmic models and configurable recommendation rules, the Bank intelligently matches user needs with relevant bank products. This enables personalized, dynamic content display—"a different view for each user"—across resource slots in the mobile banking app, delivering customized search experiences and product recommendations. This enhances user engagement and drives business growth.</li> </ul>

### ● **WeChat banking**

"Bank of Nanjing Xin Wei Hall" is a financial services mini-program developed on the WeChat platform, enabling agile and convenient delivery of banking services to customers through a lightweight application. It delivers comprehensive financial innovation by achieving online product access, online management, online marketing, and online customer engagement. Users can access the latest promotional activities and product information from our bank, as well as handle services such as credit card applications, settlement certificates, and online opening of individual pension accounts, enabling quick, seamless online service processing. In August 2025, the Bank expanded into investment banking, establishing a smart investment banking digital ecosystem focused on enterprise needs. By integrating core capabilities such as information inquiry, business processing, project management, risk early warning, and market analysis, the platform has evolved into a one-stop, intelligent service hub.

### ● **Innovation in remote financial services system**

The Bank continues to advance the innovation of a remote financial services system centered on the customer, building a smarter and more efficient service ecosystem. The Bank is developing an intelligent service system that integrates multi-channel capabilities across voice, text, and video, marking the first implementation of human-machine collaborative service functions within the phone banking channel. In this model, AI chatbots handle initial responses to common inquiries, followed by personalized support from human agents, significantly enhancing customer experience while improving efficiency and reducing costs. Focusing on the service needs of elderly customers, the Bank completed the elderly-friendly upgrade of remote video services in the third quarter of 2025. Through measures such as prioritizing large-font menu options, enabling full-process visual guidance, and optimizing interactive design, the Bank ensures that senior customers can enjoy a "clear to see, smooth to use" financial service experience. These initiatives aim to bridge the digital divide and underscore the inclusive mission of our remote service channels.