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AGRICULTURAL BANK OF CHINA

Address: No. 69 Jianguomennei Street,
Dongcheng District, Beijing, China
Service hotline: 95599
Postcode: 100005
Website: www.abchina.com.cn www.abchina.com

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AGRICULTURAL BANK OF CHINA LIMITED

SUSTAINABILITY REPORT 2024

SUSTAINABILITY REPORT

贰零贰肆

2024

中国农业银行
AGRICULTURAL BANK OF CHINA

Agricultural Bank of China Limited
(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code:1288

Notes on Report Preparation

Subject of the Report
The subject of this report is the Agricultural Bank of China Limited and its subsidiaries.

Basis of Reporting
This report is based on the *Enterprise Sustainability Disclosure Standards - Basic Standards (Trial)* jointly issued by the Ministry of Finance, and other eight ministries or administrations; *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* ; the *Self-regulation Guidelines No. 4 of Shanghai Stock Exchange for Listed Companies - Preparation of Sustainability Report;* and the *Appendix C2 ESG Reporting Code to the Main Board Listing Rules* of the Stock Exchange of Hong Kong Limited. At the same time, reference is made to the Global Reporting Initiative Standards (GRI Standards) of the Global Sustainability Standards Board (GSSB), and the Sustainable Development Goals (SDGs) of the United Nations.

Reporting Principles
This report follows the principles of materiality, reliability, relevance, comparability, verifiability, understandability, timeliness, and quantification, etc.

Materiality: This report makes a clear distinction between important sustainability information and other information, takes various practical situations into consideration, and properly aggregates and breaks down the sustainability information.

Reliability: The sustainability information disclosed in this report is reliable, truthful, complete, neutral, and accurate.

Relevance: The sustainability information disclosed in this report is relevant to the decision-making of the information users and is thus helpful for the users to make assessments or predictions.

Comparability: The sustainability information disclosed in this report can be compared with information from different periods, and with the information provided by other enterprises engaged in similar business activities and similar business models in the same industry. If there is any change in the data collection, measurement, and calculation methods, the Bank will make retrospective adjustments to the data concerned, and explain the situations and causes of such adjustments.

Verifiability: The sustainability information disclosed in this report is substantiated either by the information itself or by the inputs used to generate it.

Understandability: The content disclosed in this report is clearly stated, the source of the information involving references is indicated, and the meaning of the information involving terminology is explained in a way comprehensible to laymen, all for the sake of understanding and use on the part of the information users.

Timeliness: This report is disclosed in conjunction with the financial statements to meet the information needs of its users in a timely manner.

Quantification: This report measures key performance indicators using relevant quantitative standards and practices.

Reporting Period
The reporting period for this report is consistent with that of the Bank's financial statements, and the sustainability information is disclosed on a calendar-year basis. After the end of the annual reporting period and before the disclosure of this report, new developments that have already occurred by the end of the reporting period will be updated in this report truthfully; if information about transactions, events, and other situations arises and the Bank reasonably expects it to affect the decision-making of the users, the Bank will disclose such information in this report accordingly.

Form of Publication
This report has three text versions in Simplified Chinese, Traditional Chinese, and English. In case of any discrepancy among the three versions, the Simplified Chinese version shall prevail. This report is viewable and downloadable on the websites of the Bank (www.abchina.com.cn, www.abchina.com), the Shanghai Stock Exchange (www.sse.com.cn), and the Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

More Reports
For further information on the Bank's sustainable development, please refer to the annual reports, interim reports, green financial development reports, and other ESG-related materials available on our website (www.abchina.com.cn, www.abchina.com).

Contact
Agricultural Bank of China
Address: No. 69 Jianguomen Inner Street, Dongcheng District, Beijing
Tel: 86-10-85109619 (for investors)
Fax: 86-10-85126571
Email: kcxfz@abchina.com.cn

Important Notes
The information requiring estimation or prediction, as disclosed in this report, is based on reasonable assumptions and premises. The forward-looking statements in this report do not constitute a material commitment of the Bank to investors. Investors and relevant persons are hereby advised to be fully aware of the risks involved and understand the differences between plans and forecasts on one side and commitments on the other.

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About the Bank

The predecessor of the Bank was Agricultural Cooperative Bank established in 1951. Since the resumption of establishment in February 1979, the Bank has evolved from a state-owned specialized bank to a wholly state-owned commercial bank and subsequently a state-controlled commercial bank. The Bank was restructured into a joint stock limited liability company in January 2009. In July 2010, the Bank was listed on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank faithfully implements the decisions and strategic plans made by the Communist Party of China (CPC) Central Committee and the State Council. Focusing on high-quality development and upholding the sustainable development concept, it leverages its unique ESG (Environmental, Social, and Governance) strength to drive green development. The Bank has established a robust sustainable development governance system and highlighted its two positionings of "a leading bank serving rural revitalization" and "a major bank serving the real economy". We fully implement three major strategies: inclusive finance for agriculture, rural areas and rural residents, green finance, and digital operation. By deeply integrating the sustainable development concept with its comprehensive business portfolio, extensive distribution network, and advanced IT platform, the Bank has proactively tackled climate change, promoted green and low-carbon development, and served a broad range of stakeholders, contributing financial strength to the economic development and people's well-being.

As of the end of 2024, the Bank had total assets of RMB43,238,135 million, total loans and advances to customers of RMB24,906,187 million and deposits from customers of RMB30,305,357 million. With a capital adequacy ratio of 18.19%, the Bank achieved a net profit of RMB282,671 million in 2024. The total tax paid was RMB118,240 million, with a social contribution value of RMB3.53 per share.

As of the end of 2024, the Bank operated 22.6 thousand business outlets in China, including 12.7 thousand outlets in County Areas, achieving full coverage over these regions. We attach great importance to all stakeholders, effectively protecting the rights and interests of 0.88 billion customers and supporting the career development of 0.45 million employees. The Bank provided sustained and stable return for 0.47 million shareholders and treated 13,491 suppliers with integrity. In the past five years, the Bank accumulated over 0.8 million hours of volunteer activities.

Since 2014, the Bank has been included in the **list of Global Systemically Important Banks (G-SIBs)**[1] by the Financial Stability Board (FSB) for 11 consecutive years

In 2024, the Bank **ranked 3rd** in terms of Tier 1 capital among all global banks

The Bank was honored as an **"ESG Model Demonstration Base"** and **one of the top 10 "China ESG Models"** by China Media Group and China Enterprise Reform and Development Society

MSCI ESG Rating **AA**
the Bank was included in the **MSCI ACWI ESG Leaders Index**

Note: 1.Banks with global characteristics that play critical roles in financial markets, as published by the Financial Stability Board (FSB).

¥43,238,135 million
total assets

¥24,906,187 million
total loans and advances to customers

¥282,671 million
net profit

¥30,305,357 million
deposits from customers

¥118,240 million
total tax paid

18.19%
capital adequacy ratio

¥3.53
social contribution value per share

22.6 thousand
number of outlets in China

12.7 thousand
number of outlets in County Areas

Full coverage over County Areas

0.88 billion
number of customers protected for interests

0.45 million
number of employees supported for career development

0.47 million
number of shareholders receiving consistent and stable return on investment

13,491
number of suppliers engaged with integrity

0.8 million+
accumulative hours of volunteer activities in the past five years

Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

1	ABC/Agricultural Bank of China/the Bank/the Group/We	Agricultural Bank of China Limited, or Agricultural Bank of China Limited and its subsidiaries
2	PBOC	The People's Bank of China
3	MOF	Ministry of Finance of the People's Republic of China
4	MEE	Ministry of Ecology and Environment of the People's Republic of China
5	SASAC	State-owned Assets Supervision and Administration Commission of the State Council
6	NFRA	National Financial Regulatory Administration, or the former China Banking and Insurance Regulatory Commission
7	SSE	Shanghai Stock Exchange
8	Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
9	County Area Banking Division	An internal division with management mechanism adopted by the Bank for specialized operation of financial services provided to agriculture, rural areas and rural residents and County Areas, as required under our restructuring into a joint stock limited liability company, which focuses on the County Area Banking Business with independence in aspects such as governance mechanism, operational decision making, financial accounting as well as incentive and constraint mechanism to a certain extent
10	Sustainable Development	A development model that meets the needs of the present generation without compromising the ability of future generations to meet their own needs. It requires economic development along with social efforts to enhance productive potential and ensure equal opportunities for all to meet human needs, and adopts policies to protect the environment and utilize resources rationally to achieve coordinated economic, social, and environmental development
11	ESG	Environmental, Social, and Governance
12	Issue	Matters or factors that have an impact on the Bank, the economy, the society, the environment, and stakeholders
13	Green Finance	Economic activities designed to support environmental improvement, respond to climate change and efficient use of resources, that is, financial services provided for project investment and financing, project operation, risk management, etc. in the fields of environmental protection, energy saving, clean energy, green transportation, green building, etc.
14	Independent Director	An independent director under the Rules Governing the Listing of Securities Investment Funds on the Shanghai Stock Exchange and an independent non-executive director under the Hong Kong Listing Rules
15	Climate-Related Impacts	Actual or potential positive or negative impacts of the Bank's performance in addressing climate change issues on the economy, the society, and the environment.
16	Climate-Related Risks	Potential negative impacts of climate change on the Bank, including climate-related physical risks and transition risks
17	Climate-Related Opportunities	Potential positive impacts of climate change on the Bank or opportunities that global efforts to mitigate and adapt to climate change may bring to the Bank
18	Physical Risks	Acute and chronic physical risks that may have financial implications for the Bank. Acute physical risks arise from weather-related events such as storms, floods, droughts, or heatwaves. Chronic physical risks stem from long-term changes in climate, including variations in precipitation and temperature
19	Transition Risks	Risks in transitioning to a low-carbon economy, including risks related to policy, law, technology, market, and reputation
20	Transition Plans	The Bank's goals, actions, or resources for transitioning to a low-carbon economy, including actions to reduce greenhouse gas emissions
21	Value Chain	All activities, resources, and relationships related to the Bank's business model and external environment
22	Supply Chain	A series of activities carried out by upstream entities that provide products or services to the Bank
23	Circular Economy	A resource-efficient and recycling-oriented economic model that is in harmony with the environment
24	Stakeholder	Individuals or groups whose interests are or may be affected by the Bank's activities, such as employees, customers, suppliers, and investors
25	Scenario Analysis	Processes and methods of identifying and assessing the potential range of outcomes for future events under conditions of uncertainty
26	Climate Resilience	The Bank's ability to adapt to climate-related changes, developments, or uncertainties. Climate resilience encompasses the capacity to manage climate-related risks and seize climate-related opportunities, including the ability to address and adapt to climate-related transition risks and physical risks. The Bank's climate resilience also includes its strategic and operational resilience in response to climate-related changes, developments, and uncertainties
27	Climate Adaptability	The Bank's ability to manage climate-related risks and benefit from climate-related opportunities, including its strategic adaptability and operational adaptability to climate-related changes or uncertainties
28	Greenhouse Gases (GHGs)	Seven greenhouse gases listed in the Kyoto Protocol, including carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF_3), perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6)
29	Metric tonne of carbon dioxide equivalent (MT CO_2e)	A common unit of measurement representing the global warming potential of each greenhouse gas, calculated as the number of metric tons of the gas multiplied by its global warming potential (GWP)
30	ABC-CA	ABC-CA Fund Management Co., Ltd.
31	ABC International	ABC International Holdings Limited
32	ABC Financial Leasing	ABC Financial Leasing Co., Ltd.
33	ABC Investment	ABC Financial Asset Investment Co., Ltd.
34	ABC Wealth Management	ABC Wealth Management Co., Ltd.

Chairman's Statement

GU Shu

Chairman of
the Board of Directors

2024 was a crucial year for fulfilling the objectives and tasks of the "14th Five-Year Plan". Agricultural Bank of China, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the principles of the 20th National Congress of the Communist Party of China (CPC), and the Second and Third Plenary Sessions of the 20th CPC Central Committee, and comprehensively carried out the arrangements of the Central Economic Work Conference and the Central Financial Work Conference. We adhered to the fundamental principle of serving the real economy with financial services, and performed the financial work embedded with political significance and people-centered philosophy. In the past year, we actively implemented the global development initiative and commitment to sustainable development by focusing on our core business and making every effort in financial services for the "Five Target Areas" (Technology Finance, Green Finance, Inclusive Finance, Pension Finance, and Digital Finance). We identified sustainability risks and opportunities, actively and steadily promoted peak carbon emissions and carbon neutrality goals, served a broad range of stakeholders, and provided steady, sustainable and high-quality financial services for economic and social development.

We enhanced top-level design, constructed and improved corporate governance system for sustainable development with Chinese characteristics. Agricultural Bank of China upheld the overall leadership of the CPC, fully implemented the requirements for unswervingly upholding the "two principles" in all respects, continued to improve conduct, tighten discipline, and fight corruption, and actively fostered and practiced the financial culture with Chinese characteristics. We upheld the leadership of the Party throughout the entire process of corporate governance, and continuously improved the top-down structure of sustainable development governance. We set up a Sustainable Development Working Group under the Strategic Planning and Sustainable Development Committee of the Board of Directors with senior management and their specialized committees responsible for managing important sustainability issues. In addition, we selected ESG experts and female directors, provided sustainable development-related training, and optimized the performance of duties and decision-making effectiveness of those charged with governance. Also, we holistically promoted and comprehensively deepened our sustainability management system, and defined the overall objectives and implementation paths. According to the road map for building a nationally unified sustainability disclosure system, we conducted sustainability disclosure with Chinese characteristics. As a result, we became the first Chinese financial institution awarded the title of "ESG Model Demonstration Base" by the China Central Television and China Enterprise Reform and Development Society.

Implementing matters of national significance, we always aligned our business development with national strategies. Centering on the primary task of promoting high-quality development, we focused on rural finance and the financial services in "Five Target Areas", diversified the supply of our financial products and services, and improved the efficiency of financial resources allocation and the quality and efficiency of our services for the real economy. We stayed true to serving agriculture, as indicated by our name, and exerted greater efforts to serve rural revitalization. As of the end of 2024, the balance of loans to county areas amounted to RMB9.85 trillion, accounting for over 40% of our domestic loans. The balance of loans for sufficient supply of food and major agricultural products exceeded RMB1 trillion, and loans for rural industries and rural construction increased by 21.0% and 14.8%, respectively. We have been awarded the highest rating "Excellent" for four consecutive years in the regulatory assessment of services for rural revitalization. We made every effort to firmly hold the bottom line of preventing any relapse into or occurrence of poverty. The growth rate of loans to 832 counties lifted out of poverty and 160 key counties receiving assistance in pursuing rural revitalization was 13.0% and 14.7% respectively, both higher than our average loan growth rate. We have been awarded "the World's Best Poverty Reduction Cases" for three consecutive years, covering all the cases of our designated counties. We delivered stronger financial support to the real economy and continued to strengthen and optimize our financial services in the "Five Target Areas". The growth rate of loans to strategic emerging industries, green loans, and loans for elderly care industries all exceeded 20%. According to the PBOC caliber, the balance of our loans to inclusive finance was RMB4.66 trillion, ranking first among peers. We were selected as a case for high-quality financial development of 2024 by *People's Daily*.

We improved our climate resilience and continuously strengthened the foundation of high-quality development. Following the principle of "establishing the new before abolishing the old", we diversified our green financial instruments to support low-carbon transition of traditional industries, promoted our own dual-carbon goals in an orderly manner, served the Beautiful China initiative, and participated in global governance on climate change. Identifying green credit as the main area of services, we continuously improved our multi-level and integrated green investment and financing system. By the end of 2024, the balance of our green credit business stood at RMB4.97 trillion, up 22.9% and equivalent to a carbon dioxide emission reduction of 148.33 million tons. At the same time, the green bonds invested for our own account reached RMB165.6 billion, an increase of 14.8%. We conducted "carbon inventory" on a yearly basis. In 2024, the Group's carbon emission totaled 2.14 million tons and the per capita carbon emission was 4.6 tons, both down from the previous year. We built a total of 2,681 green outlets and actively created diversified "carbon-neutral" outlets. For ESG risks, we achieved full coverage, category-based management, and whole-process control. In addition, we improved transition risk management for high-carbon industries, and performed climate risk stress test for the 10 carbon-intensive industries, such as power and steel. As a result, we were awarded the 5th "Global Green Finance Award-Annual Award" by the International Finance Forum (IFF) and the title of "Advanced Unit in the Green Bank Evaluation" by the China Banking Association.

We improved people's wellbeing and worked together with all the stakeholders to create an environment for universally beneficial and inclusive development. We took customer and employee satisfaction as our purpose, continued to reward investors, prioritize stakeholder needs, and continuously improve the accessibility, diversity and inclusiveness of our financial services. We operated across urban and rural areas, and is the only financial institution in China that covers all administrative counties. In recent years, we have steadily increased the number of business outlets in high-altitude and remote areas in an effort to extend financial services to the last mile. We provided a full range of intensive online services, and our mobile banking continued to lead the industry with 0.25 billion monthly active users. We always provided financial services for the benefit of the people and tried to solve pressing difficulties and problems that concern the people most. We accurately meet the demand for consumer finance, with personal consumption related loans (including credit card balance) increasing by RMB294.3 billion, or 28.3%, with both incremental amount and growth rate leading the industry. We created the "ABC Elderly Care" service brand and completed the age-friendly renovation for all our outlets. Our customer experience and service efficiency were further improved, with the average waiting time at our outlets shortened by 20%. Moreover, we consolidated the foundation of our development by caring for employees and promoting the development of cadres and talents. We constructed more than 0.1 million "Home of Employees" facilities such as canteens and bathrooms, selected over 3,000 young professionals as candidates for cadres, improving the overall employee satisfaction level in questionnaire surveys by 4 percentage points. In the meantime, we protected the rights and interests of our shareholders and shared the benefits of growth with our investors. The growth of our market capitalisation ranked first among comparable peers for two consecutive years. We maintained high-ratio and steady cash dividends, and granted our H-share shareholders the option to receive their dividend in RMB, thus enhancing the sense of gain and convenience on our investors. We continued to build the brand "ABC Charity". The "ABC Considerate Warm Space" trade union service stations were established at 22 thousand outlets. Throughout the year, 63 thousand young volunteers provided as long as 132 thousand hours of volunteer services, pooling the power of financial benevolence to convey our warmth to the society.

We enabled scientific and technological innovation and accelerated the development of a smart bank. Tech innovation is the core driving force leading the development of new quality productive forces. Therefore, we deepened our strategic positioning to promote digital transformation and build a smart bank, and advanced the reform toward digitally intelligent and centralized operations to make our financial services more accessible and adaptable. We strengthened leveraging technologies to support businesses. We formulated and implemented the "AI+" innovation action plan to enable all-round development and in-depth application of AI technology. We also made landmark breakthroughs in the distributed core system project, and managed to run all our 24 core business system modules and customer data on the distributed platforms. Moreover, we made our offerings and channels more intelligent with "data + algorithms". By the end of 2024, the balance of "ABC E-Loan" stood at RMB5.73 trillion, and the "ABC Huinongyun" platform covered 2,657 counties (districts) and served more than 6.5 million users. Furthermore, we continued to consolidate the foundation for FinTech security. We enhanced the practical defense capability for cybersecurity, constantly strengthened the ability to secure disaster recovery and business continuity, and established a "matrix" data security management system to embed data security and personal information protection into the whole process of business operation.

This is the first sustainability report of Agricultural Bank of China, demonstrating the responsibility and the commitment of a major bank and defining the goal and direction of our sustainable development. At the new starting point and on behalf of the Board of Directors, I would like to convey my heartfelt gratitude to our 0.45 million employees for their hard work, to our 0.88 billion customers for their trust, to our 0.47 million investors for their choice, to our 13 thousand suppliers for their support, and to the regulatory authorities and a wider society for their guidance and assistance! I would also like to call on all of us to work hand in hand to build a Beautiful China and create a happy life for all.

With high tide and tailwind, it is time to sail a smooth ride. 2025 is the last year of the "14th Five-Year Plan" period. Agricultural Bank of China will continue to follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, earnestly carry out the decisions of the CPC Central Committee and the State Council, fully, accurately and comprehensively implement the new development philosophy, focus on ethical and business values that build honesty and trustworthiness and align ethics with profitability, maintain perseverance for excellence and determination for self-innovation, promote economic, social and environmental sustainability and make our due contribution to the Chinese modernization.

GU Shu

Chairman of
the Board of Directors

March 28, 2025

Financial Support for Sustainable Development

The Bank thoroughly implements the major policy decisions and work plans made by the CPC Central Committee and the State Council, fully carries out the guidelines of the Central Financial Work Conference, and studies and formulates follow-up implementation plans. We proactively integrate the concept of sustainable development into our operation and management and fulfill our social responsibilities as a major financial institution. We were committed to reinforcing our two positionings of a leading bank providing financial services for rural revitalization and a major bank serving the real economy. We focused on serving agriculture, rural areas and rural residents as our primary responsibility and main business, stepping up financial support for key areas and weak links in the real economy. In addition, the Bank strived to excel in "Five Target Areas" including technology finance, green finance, inclusive finance, pension finance and digital finance. We made steady improvement in the financial service system for technology, developed more diverse green finance service models, enhanced the performance and efficiency of inclusive financial services, accelerated the development of pension finance and strengthened digital financial service capabilities.

Technology Finance

The Bank proactively made innovation in financial products and service mechanisms to improve self-reliance and strength in science and technology. Centering around the national strategic deployment for science and technology, we accelerated the establishment and continuous improvement of a three-tiered, multi-dimensional professional service network, including "Technology Finance Service Centers, Technology Finance Business Units or Dedicated Teams, and Technology Finance Specialty Branches". Recognizing the characteristics of technology enterprises, such as high technology, strong innovation capabilities, and asset-light operations, we established and continuously optimized an exclusive credit service system, matched with differentiated credit support policies. For technology enterprises at different stages of development, we created a full-lifecycle product matrix and developed exclusive credit products, striving for full coverage over the lifecycle, credit line needs, and typical customer groups. We launched a innovative Emerging Industry Empowerment Loan and explored the "Loan + External Direct Investment" business model. We prepared the establishment of pilot equity investment funds to reserve projects in strategic emerging industries and future industries. We are building an ecosystem for technology finance that connects "governments, financial institutions and enterprises; industries, universities and research institutes; and investments, services and innovations". We frequently engaged in bank-government-enterprise connections and launched marketing and services targeting research institutions, to advance the deep integration of technology, industry, and finance, providing all-round support for the development of emerging industries such as biomedicine and commercial aerospace. As of the end of 2024, the Bank's balance of loans to strategic emerging industries was RMB2.57 trillion, increasing by RMB472.2 billion, or 22.4%, compared to the end of the previous year.

Green Finance

The Bank aligned the implementation of our green finance strategy with the national planning for ecological civilization construction. We improved our governance structure, service system, and risk control mechanisms to meet the requirements of ecological civilization construction and green, low-carbon development and to promote the high-quality development of green finance. We advanced the implementation of the *Agricultural Bank of China's Green Finance Development Plan (2021-2025)* and the *Guiding Opinions on Accelerating the Development of Green Finance*, to refine the multi-tiered policy system, incorporating green and low-carbon requirements into our credit policy guidelines, and optimizing industry credit policies to guide the investment of green funds. We improved the mechanism for the pool of major green finance projects, focusing on key areas such as clean energy, green infrastructure upgrades, energy conservation, and environmental protection, and increasing financial support for green industries. We promoted integrated green and rural development, and enhanced green and rural financial services. We enriched the green investment and financing service system, underwrote and issued green bonds, engaged in green bond investments, and developed new ESG-themed wealth management products. We announced key work plans for green finance/peak carbon emissions and carbon neutrality, and specified annual development goals and measures. We made steady progress in energy conservation and carbon reduction within our own operations, achieved positive outcomes in green finance, and built up our green bank brand image. As of the end of 2024, the Bank's balance of green credit was RMB4.97 trillion, with a growth rate of 22.9%.

Inclusive Finance

The Bank continued to advance the development strategy for rural and inclusive finance, focusing on enhancing the adaptability and inclusiveness of financial services in key areas and weak links. We implemented the coordination mechanism to support financing for MSEs, constructed the development model of integration and mutual empowerment between online and offline channels with our characteristics, and comprehensively developed a multi-scenario credit product system covering unsecured loans, secured loans, pledges credit enhancement by government and supply chain financing. We continuously improved the institutional mechanisms for inclusive finance development, effectively meeting the diverse financial needs of inclusive finance customer groups such as MSEs, self-employed individuals and agriculture-related business entities, and promoting the supply of inclusive financial credit characterized by ample quantity, stable pricing, and an optimal structure. As of the end of 2024, balance of loans to inclusive finance according to the PBOC caliber increased by 30.1% to RMB4.66 trillion, and the balance of inclusive loans to small and micro enterprises increased by 31.3% to RMB3.23 trillion, supporting 4,581.8 thousand inclusive finance MSEs. The Bank further consolidated its position as a major player in inclusive finance, boasting the largest supply and service coverage alongside leading sustainability.

Pension Finance

The Bank proactively served the national strategy to address population aging, and contributed to the development of the pension insurance system. Centering on meeting customers' needs for pension finance, we enhanced the coverage, experience, and refinement of pension finance services. Besides, we increased the supply of pension finance products, striving to become a pension finance specialty bank that our people are satisfied with. We continued to enrich the brand meanings of pension finance, launching the "ABC Pension" service brand on the Double Ninth Festival to provide higher-quality services to elderly customers with a new image. We upgraded our pension service finance. Specifically, we built 300 demonstration outlets for age-friendly services, launched the pension zone on mobile banking, and provided "direct access to staff" customer service for customers over 60 years old. We also launched services for the convenience and benefits of the people such as online subscription of personal pension insurance products without "dual recording". As of the end of 2024, the balance of loans for elderly care industries increased by 68% to RMB10,976 million over the last year; the number of users of social security cards, electronic social security cards and medical insurance QR codes amounted to 275 million, 165 million, and 74.76 million, respectively; and the pension funds under entrusted management[1] reached RMB316,693 million, with the number of customers and business development maintaining a stable growth rate, the size of pension funds[2] under custody reached RMB751,950 million, serving over 10 thousand corporate clients.

Digital Finance

The Bank is advancing the development of smart banking for the digital era in an all-round manner. We explored data applications and enhanced innovative AI applications, to lay a solid foundation of digitization and intelligence for high-quality business development. Leveraging "data + algorithms," we made innovation in product offerings, upgrading and launching digital products such as Merchant E-loan and Micro Quick Loans 3.0. We strengthened online and offline information and resource sharing. With the release of 10.0 version of Mobile Banking, our scope of financial services was continuously expanded. We accelerated the development of data tools and lowered the threshold for data utilization, thereby providing underlying data support for improving financial services and making innovation in products and services. The distributed core system project achieved a historic breakthrough, and the IT system maintained stable operation under multiple challenges, such as rapid business growth and the technical transformation to a distributed architecture. As of the end of 2024, the loan balance of "ABC E-Loan" was RMB5.73 trillion, increasing by 34.8% over the last year, and the number of monthly active users of retail mobile banking exceeded 0.25 billion.

Note: 1.Including occupational annuity, enterprise annuity and other pension trustee assets.
2.Including occupational annuity, enterprise annuity and pension funds under custody.

¥2.57 trillion
balance of loans to strategic emerging industries
22.4%
growth rate

¥4.97 trillion
balance of green credit
22.9%
growth rate

¥4.66 trillion
balance of loans to inclusive finance according to the PBOC caliber
30.1%
growth rate

¥3.23 trillion
balance of inclusive loans to small and micro enterprises
31.3%
growth rate

¥10,976 million
balance of loans for elderly care industries
68%
growth rate

¥5.73 trillion
balance of "ABC E-Loan"
34.8%
growth rate

Materiality Assessment

In order to meet the requirements of the Ministry of Finance of the People's Republic of China, Shanghai Stock Exchange and Hong Kong Stock Exchange for information disclosure related to sustainable development, taking into account the characteristics of the banking industry and the Bank's business, we conducted due diligence and stakeholder engagement through multiple channels such as online questionnaires, management meetings, and expert review meetings, and identified, analyzed and assessed the double materiality of sustainability issues.

Double Materiality Analysis

We evaluated the materiality of various issues from two dimensions, respectively financial materiality and impact materiality. Issues with financial or impact materiality are all referred to as "material issues".

Step 1
Understand the Background of the Bank's Activities and Business Relationships

We identified our stakeholders by studying national deployments and regulatory requirements, analyzing the business models, development strategies, business operations, financial positions, operating results, and market capitalization of the Bank, and referring to media reports and interbank benchmarking analyses. Our stakeholders covered the Bank's internal and external stakeholder groups, including government and regulatory bodies, shareholders and investors, clients, employees, suppliers and partners, and the community.

Step 2
Create a List of Issues

We took the 21 topics set in the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* as the basis for the list of issues. By sorting out regulatory policies and industry rules, internal research and peer analysis, etc., and researching and analyzing the characteristics and development stages of the banking sector, ESG rating standards, the Bank's business model and strategic planning, etc., we combined the product and service safety and quality issue with the consumer protection issue, included inclusive finance into the list of issues, and added them up to 22.

Steps 3
Assess and Confirm the Materiality of Issues

Impact Materiality Assessment

Impact materiality information refers to sustainability-related information that helps us to assess the externalities of the Bank's operations. The main processes of the assessment include identifying the factors affecting the impact materiality assessment, investigating the stakeholders, setting the threshold for determining the impact materiality, and forming the assessment conclusions. The object of stakeholder survey includes government and regulatory bodies, shareholders and investors, clients, employees, suppliers and partners, and the community, among others.

The level of impact materiality is measured by a scale of 1-5, where 1 is the minimal, 2 is the small, 3 is the medium, 4 is the large, and 5 is the maximal. The threshold is set at 4, so that issues greater than 4 are considered as material impact issues.

Financial Materiality Assessment

Financial materiality assessment refers to the evaluation on the potential material impact on the Bank's finance based on the identification of risks and opportunities that affect or may affect our business operation, financial condition, operating results, cash flow, etc. The main processes of the assessment include identifying the factors affecting the financial materiality assessment, investigating the stakeholders, setting the threshold for determining the financial materiality, and forming the assessment conclusions. The survey covers government and regulatory bodies, shareholders and investors, among others.

The level of financial materiality is measured by a scale of 1-5, where 1 is the minimal, 2 is the small, 3 is the medium, 4 is the large, and 5 is the maximal. The threshold is set at 4, so that issues greater than 4 are considered as material financial issues.

Step 4
Integrate the Results of Impact and Financial Materiality Assessments

The results of both the impact and financial materiality assessments for each issue are aggregated to form a double materiality matrix.

Due Diligence and Communications with Stakeholders

Due diligence is an important approach for the Bank to obtain the results of the impact materiality assessment. The main processes include identifying key stakeholders, designing and distributing survey questionnaires, determining the weight of stakeholders, and forming the survey results. In 2024, we employed questionnaires, stakeholder symposia, and expert scoring to improve the accuracy and balance of the survey results.

We organized various stakeholder activities to understand the focus and expectations of all parties on sustainability issues, and actively communicated the Bank's sustainable development concept to internal and external stakeholders.

Communications with Government and Regulatory Bodies

We maintain regular and high-quality communication with government and regulatory authorities in terms of business development, risk management, and compliance operation. In response to the core expectations of the government and regulatory bodies, we actively implement the requirements on serving national strategies, real economy, and rural revitalization, developing inclusive finance, operating according to law, improving corporate governance, practicing comprehensive risk management, combating money laundering and conducting environmental management.

We convene meetings in a timely manner to interpret government policies, convey new regulatory rules, and read into key policy requirements, so as to ensure that we accurately understand and implement them, and made timely feedback on the problems and suggestions arising in policy implementation. Moreover, we actively participate in industry seminars, symposia and other activities organized by the government and regulatory authorities to communicate on industry regulatory dynamics and trends, and share practical experiences and views. In strict accordance with regulatory requirements, we submit various reports regularly to the People's Bank of China, the National Financial Regulatory Administration, and other regulatory authorities and make special reports on key business areas and regulatory concerns. We communicate closely and timely with the government and regulatory authorities during the approval process of major projects to understand their requirements and feedback, and ensure that the projects are advanced in accordance with the law. Finally, we make immediate or ad hoc communication with the government and regulatory authorities on policy responses and emergencies to ensure information symmetry.

Communications with Shareholders and Investors

We continuously enhance the management of shareholders and investors relations. We formulated and implemented the *Measures for the Management of Investor Relations* to maintain in-depth exchanges with shareholders and investors on a day-to-day basis. The ESG factors of concern to our shareholders and investors include shareholders' equity, business development, return on sustainable investment, ESG risk management, information disclosure, etc.

During the reporting period, we held 4 general meetings to communicate with our shareholders. We held 4 quarterly performance conferences, participated in nearly 30 capital market summits, and organized 2 thematic surveys on sustainable development and more than 100 meetings with investors and analysts in the form of on-site meetings and teleconferences, involving the mainstream investment and research institutes in the market. The purpose was to communicate with investors on the goals and progress of green finance, the path to carbon neutrality, the direction of investment for carbon reduction loans, and the formulation of standards for green credits. Furthermore, we carried out online Q&A and regularly replied to the questions from the e-investors at Shanghai Stock Exchange. Last but not least, we held routine investor meetings, roadshows, and reverse roadshows from time to time, continuously answered investors' hotline calls, and checked e-mails on investor relations.

We disclose information according to rules and regulations. The Chairman of the Bank's Board of Directors bears the primary responsibility for the management of information disclosure, while the Secretary of the Board is responsible for organizing and coordinating the affairs related to information disclosure. And we established an information disclosure system that consists of basic systems, management measures, and operating procedures and conforms to the regulatory requirements for listed companies. During the reporting period, we actively implemented the latest information disclosure requirements of the regulatory authorities, and revised the *Information Disclosure System and the Management Measures for Possessors of Insider Information*, to improve the policy, process and standardization of information disclosure. We continuously improve the conformity of regular reports with national strategies, disclose working highlights and operational advantages of the Bank, and enhance the ESG information disclosure. Furthermore, we actively respond to market concerns, continuously enrich the forms of disclosure, and constantly improve the effectiveness of information disclosure. In 2024, we made 343 information disclosure documents available to the public at Shanghai Stock Exchange and Hong Kong Stock Exchange, and were rated "A" by Shanghai Stock Exchange in terms of the information disclosure work. During the reporting period, we did not give rise to any major accounting errors, omissions of any important information, and corrections of any earnings forecast. We continued to strengthen the management of insider information by raising the awareness of compliance on the part of insiders, and organizing the annual self-inspection of insider trading and the registration and filing of insiders.

Communications with Clients

We formulated the *Measures for Joint Management of Client Services* and *Measures for the Management of Client Complaints* to establish a bank-wide joint client service system and maintain regular communication with clients. The ESG factors of concern to our clients include consumer protection, data security and privacy protection, financial product innovation, client service innovation, and service quality improvement, among other things.

Through multiple channels of communication, both online and offline, we actively responded to the concerns of our clients. We regularly organized symposia and product experiencing activities with our clients, carried out client satisfaction surveys, responded client hotlines in time, provided mobile banking services and intelligent client services 24/7, and offered special groups exclusive services. The content of our communication with clients covered social security and medical insurance, credit card, rural and inclusive finance, investment and wealth management, pension finance, client complaints and suggestions, product and service consultation, etc.

Communications with Employees

We formulated the *Rules on the Work of Employees' Congress* to build a bridge for regular and multi-dimensional communication with our employees. The ESG factors of concern to our employees include employee rights and interests, career development, humanistic care, internal management, reform and innovation, etc.

We proactively responded to the concerns of our employees. We held the employees' congress at least on a yearly basis to listen to the opinions and suggestions of employee representatives on topics related to the vital interests of employees, so as to promote democratic decision-making and management. Also, we issued or released internal publications and announcements in a timely manner to show our employees the Bank's business progress, management system construction, reform and innovation measures, etc. Moreover, we conducted the employee satisfaction survey on a yearly basis to learn about the core demands of our employees in terms of work environment, career development, compensation and benefits, etc. Furthermore, we organized visits and research on an irregular basis, so that the management could engage with employees face-to-face and enhance the care for the employees.

Communications with Suppliers and Partners

We formulated and implemented the *Regulations on the Management of Challenges and Complaints Regarding Centralized Procurement* and the *Detailed Rules on the Management of Supplier Misconducts in Centralized Procurement*, etc., to create smooth feedback mechanisms and channels with our suppliers and conduct day-to-day communication with them on business cooperation, behavior management, etc. The ESG factors of concern to our suppliers and partners include fairness and transparency, integrity and performance, win-win cooperation, promotion of industry development, implementation of responsible procurement, etc.

We actively conducted supplier survey and research. To understand their production and operation, compliance management, and sustainable development, so as to ensure the compliance and stability of our supply chain and partnerships. When organizing public bidding, we explained the supply and demand requirements and procurement processes and standards of the Bank to the bidders, inquired about the suppliers and their product services, and promoted the information symmetry between both parties, to ensure the fairness, justice, and openness of procurement activities.

Communications with Communities

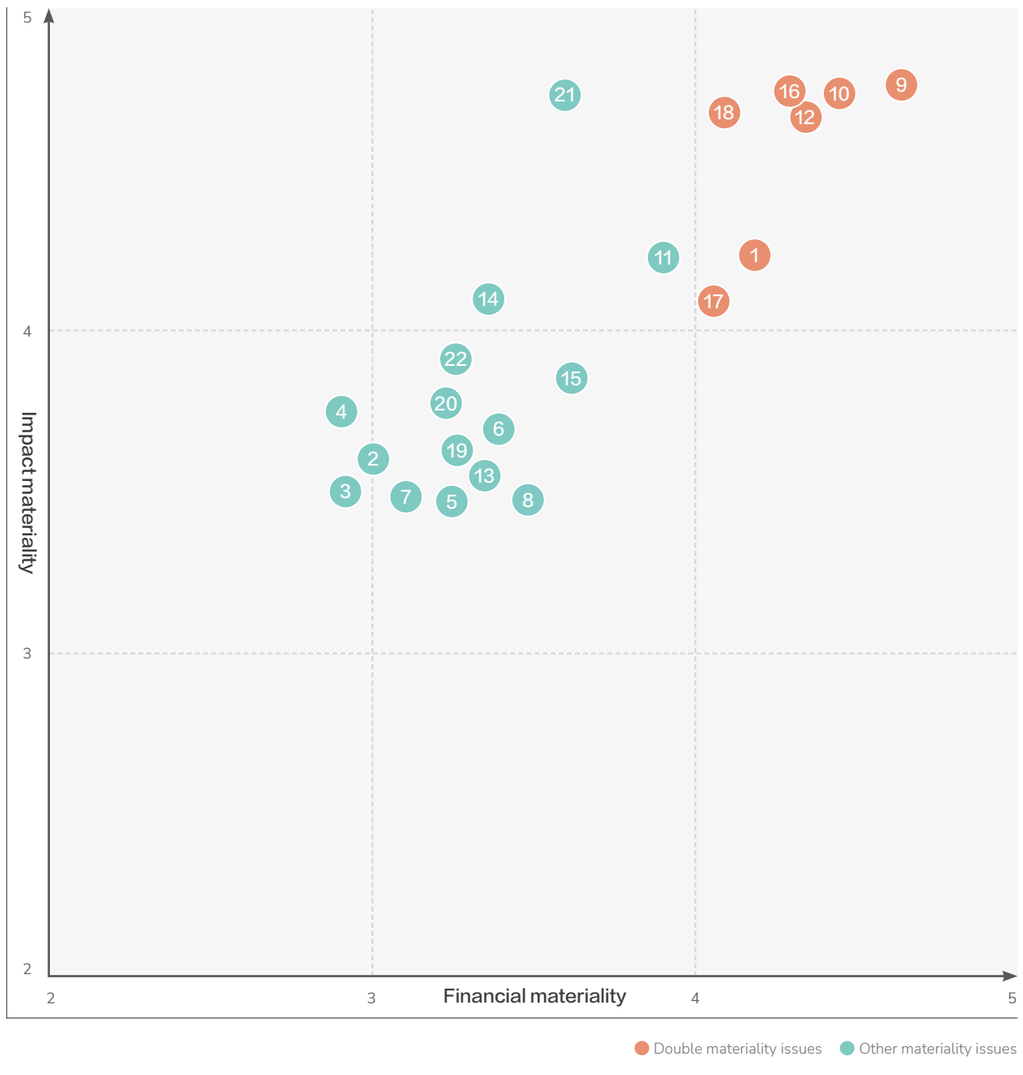
We proactively carry out community-based public welfare activities and keep regular communication with communities to help with their development. The ESG factors of concern to communities include social contribution, financial services of business outlets, popularization of financial knowledge, post-disaster rescue and reconstruction, etc.

We strengthened the communication with communities by way of fixed-point assistance, education support, assistance for the disabled and the poor, community construction, and community service. In addition, we went into communities to disseminate financial knowledge and explain the way to identify counterfeit currency and combat fraud, so as to improve the financial literacy and risk prevention awareness of residents. At the same time, we organized pro bono activities such as environmental protection, senior care, and poverty alleviation on a regular basis. When communities encountered natural disasters and other emergencies, we set up rescue teams in time to help with their post-disaster rescue and ensure financial support for their reconstruction efforts.

Conclusion of Materiality Assessment

The issues of double materiality identified by the Bank included climate change tackling, rural revitalization, innovation-driven, inclusive finance, data security and customer privacy protection, consumer interests protection (safety and quality of products and services), and employees. The double materiality matrix is shown below.

Double Materiality Matrix



Environmental issues

1 Climate change tackling
2 Pollutant discharge
3 Waste disposal
4 Ecosystem and biodiversity protection
5 Environmental compliance management
6 Energy usage
7 Usage of water resources
8 Circular economy

Social issues

9 Rural revitalization
10 Inclusive finance
11 Contributions to the society
12 Innovation-driven
13 Ethics of science and technology
14 Supply chain security
15 Equal treatment of SMEs
16 Consumer interests protection (safety and quality of products and services)
17 Data security and customer privacy protection
18 Employees

Governance issues

19 Due diligence
20 Communications with stakeholders
21 Anti-commercial bribery and anti-corruption
22 Anti-unfair competition

ESG Governance

Board of Directors' Statement

The Board of Directors of the Bank places great emphasis on sustainable development, advancing it from the top-down through governance, strategies, and management, and continuously improving the governance mechanisms and management systems for sustainable development. The concept of sustainable development is deeply integrated into all aspects of the Bank's business operations.

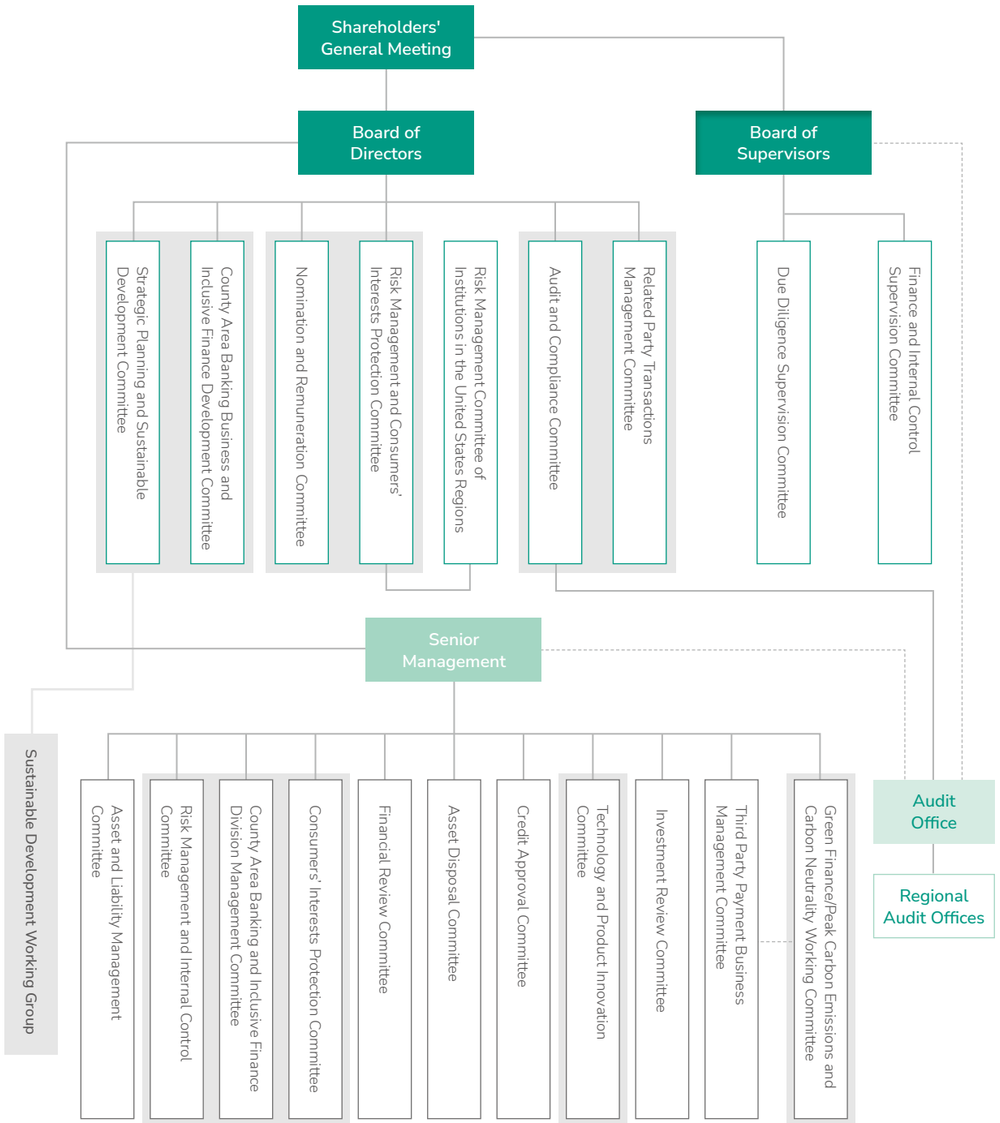
The Board fully leverages its role in strategic planning and decision-making, expending the consideration scope of sustainability issues progressively, and constantly strengthening its governance functions in identifying risks and opportunities related to sustainable development. The Board defines strategic goals, key tasks, and management priorities for sustainable development, oversees and evaluates the effectiveness of strategy implementation, and deliberates sustainability-related risk management policies, and sustainability-related information disclosure. It selects ESG experts and female directors for training on the performance of duties related to sustainable development to enhance the Board's capabilities, professionalism, and diversity in fulfilling its sustainable development-related responsibilities.

The Bank advances and deepens the establishment of sustainable development management systems in a holistic approach. It defines overall objectives for sustainable development and develops short-, medium-, and long-term implementation paths for disclosure preparation, management enhancement, and value realization. The Board accesses the importance of sustainability issues and promotes the deep integration of sustainable development concepts into management mechanisms. It aims to continuously enhance the management quality and efficiency of environmental issues such as green finance, social issues including rural revitalization, technological innovation, employee care, consumer rights protection, as well as sustainable development governance issues such as integrity in employment. During the reporting period, the Board of Directors deliberated on various proposals including the Bank's Corporate Social Responsibility Report (ESG report), work on Green Finance/Peak Carbon Emissions and Carbon Neutrality, Comprehensive Risk Management Strategy, Inclusive Finance, Consumer Rights Protection, Internal Control Evaluation, Remuneration of Directors and Executives, External Donation Arrangement, disclosure and investor relations management, and received reports on data security and related party transactions.

Governance Structure

The Bank continuously improved the top-down structure of sustainable development governance. The Board fully leverages its role in strategic planning and decision-making, under which is established the Strategic Planning and Sustainable Development Committee. The Sustainable Development Working Group is established under the Board's Strategic Planning and Sustainable Development Committee, with the Board Secretary serving as the Group Leader, to enhance support for the Board's decision-making in sustainable development governance. The Board of Supervisors oversees the performance of Board of Directors and senior management in sustainable development. The senior management undertakes the management of key sustainable development issues to ensure the efficient implementation of decisions and objectives related to sustainable development.

Sustainable Development Governance Structure



Note: Responsibilities of the Risk Management Committee of Institutions in the United States Regions are concurrently assumed by the Risk Management and Consumers' Interests Protection Committee

Board of Directors and Specialized Committees

Board of Directors

As our decision-making organ, the Board of Directors is accountable to, and shall report its work to, the shareholders' general meeting. The Board's responsibilities include: deciding on sustainable development strategy of the Bank and overseeing the implementation of the strategy; making the basic management system and policies related to sustainability, and supervising the implementation of the basic management system and policies; considering and approving the general risk management report and the plan on allocation of risk-based capital, and evaluating the effectiveness of the Bank's sustainability-related risk management. In 2024, the Board held 10 board meetings in total, considered proposals relating to Corporate Social Responsibility Report (ESG report), Green Finance/peak carbon emissions and carbon neutrality, comprehensive risk management (including environmental and climate-related financial risks), inclusive finance, consumer interests protection, internal control assessment, remuneration of directors and senior management, external donation plans, information disclosure, and investor relations management. In addition, it listened reports on data security and related party transactions.

Strategic Planning and Sustainable Development Committee

The responsibilities of the Strategic Planning and Sustainable Development Committee include: reviewing overall and specific plans for strategic sustainable development of the Bank; evaluating factors that may have an impact on the strategic development plan and its implementation, and providing advice for the adjustment of strategic development plan to the Board of Directors accordingly in time; reviewing the sustainable development strategies and objectives of the Bank, regularly evaluating the implementation of the sustainable development strategies; reviewing the report related to environmental, social and governance of the Bank, and evaluating the development of green finance of the Bank. In 2024, the Strategic Planning and Sustainable Development Committee held 7 meetings in total, considering proposals of the Corporate Social Responsibility Report (ESG report), Green Finance/ peak carbon emissions and carbon neutrality, among others.

County Area Banking Business and Inclusive Finance Development Committee

The responsibilities of the County Area Banking Business and Inclusive Finance Development Committee include: reviewing the strategic development plan of County Area Banking Business; evaluating the factors that might have significant impact on the development of County Area Banking Business, and providing advice for adjustment to strategic development plan; deciding on the business development plan of Inclusive Finance and reviewing the policy, basic management systems, annual operation plan and risk and strategy plan of Inclusive Finance of the Bank; monitoring the implementation of the strategies, policies and systems of Inclusive Finance of the Bank. In 2024, the County Area Banking Business and Inclusive Finance Development Committee held 1 meeting, considered the proposal relating to the inclusive finance,and listened to a report of County Area Banking Business.

Nomination and Remuneration Committee

The responsibilities of the Nomination and Remuneration Committee include: formulating standards and review procedures for the election of directors, chairmen and members of special committees of the Board of Directors and senior management members; preliminarily reviewing and approving the eligibility of the candidates for directors, President, Secretary to the Board of Directors, and Vice Presidents and other senior management members nominated by the President; listening to the report on the training programs for senior management and key reserve talents. In 2024, the Nomination and Remuneration Committee held 8 meetings in total, reviewed proposals relating to the nomination of Non-executive Director candidates, performance assessment of the Chairman of the Board of Directors, President or other senior management members of the Bank.

Audit and Compliance Committee

The responsibilities of the Audit and Compliance Committee include: reviewing the internal control management system of the Bank and overseeing effective implementation and self-assessment of the Bank's internal control; reviewing and evaluating the core business of the Bank and relevant regulations; supervising financial operation of the Bank;reviewing the audit management basic systems and regulations, medium- and long-term audit plans and annual work plan of the Bank.In 2024, the Audit and Compliance Committee held 5 meetings in total, considered proposals relating to 2023 annual report and its abstract and capital adequacy ratio, and listened to the report of external audit results,etc.

Risk Management and Consumer Interests Protection Committee

The responsibilities of the Risk Management and Consumer Interests Protection Committee include: reviewing risk management strategy plan, risk appetite and major risk management policies of the Bank, supervising and assessing the implementation and effectiveness of the same; reviewing overall risk management reports of the Bank and proposals on deployment of risk-based capital; reviewing and discussing the Bank's strategies, policies and objectives of consumers' rights and interests protection. In 2024, the Risk Management and Consumer Interests Protection Committee held 5 meetings in total, considered proposals relating to comprehensive risk management (including environmental and climate-related financial risks) and consumer interests protection, and listened to the report of information technology risk.

Related Party Transactions Management Committee

The responsibilities of the Related Party Transactions Management Committee include: reviewing basic management systems for related party transactions, overseeing their implementation and providing advice to the Board of Directors; considering and approving related party transactions and other matters thereof to the extent of authorisation by the Board of Directors; and maintaining records of related party transactions and report to the Board of Directors on the management of the related party transactions. In 2024, the Related Party Transactions Management Committee held 1 meeting, and listened to the report of management of related party transactions.

Board of Supervisors

As our supervisory organ, the Board of Supervisors is accountable to and shall report to the shareholders' general meeting. In 2024, the Board of Supervisors held 5 meetings in total, considered proposals relating to Corporate Social Responsibility Report (ESG report), Green Finance/peak carbon emissions and carbon neutrality, business of serving agriculture, rural areas and rural residents, and performance assessment of the Board of Directors, the Board of Supervisors, the senior management. In addition, it listened to reports of comprehensive risk management (including environmental and climate-related financial risks), information technology risk, remuneration management, consumer interests protection, anti-money laundering, and supervision on internal control.

Senior Management

The Bank continuously refines its sustainable development management system, focusing on key issues and ensuring accountability among all parties involved. There are several committees under the senior management, dedicated to various aspects of sustainable development, including the Green Finance/Peak Carbon Emissions and Carbon Neutrality Working Committee, County Area Banking and Inclusive Finance Division Management Committee the Consumer Interests Protection Committee, the Risk Management and Internal Control Committee, and the Technology and Production Innovation Committee. These specialized committees are responsible for tasks related to green finance, rural and inclusive finance business, consumer rights protection, comprehensive risk management, technology and product innovation, and other sustainable development initiatives.

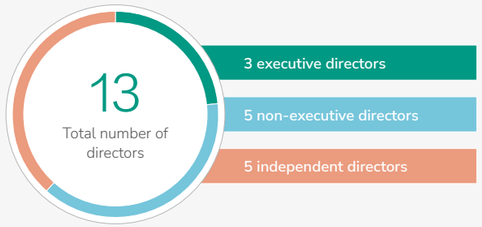
Executive Level

Sustainable Development Working Group (SDWG) was established under the Strategic Planning and Sustainable Development Committee of the Board of Directors (SPSDC), led by the Board Secretary with 25 departments from Head Office serving as members, to enhance support for decisions made by those charged with sustainability governance and improve the efficiency in advancing sustainable development initiatives across all business lines within the Bank. The Board Office set up the Sustainable Development Division and undertook the functions of the office for the SDWG, responsible for reporting to the Board and SPSDC, taking the lead in promoting the Bank's overall sustainable development (ESG) efforts, formulating work plans for sustainability, outlining overall goals and implementation paths for sustainable development, and continuously improving the construction of the sustainability management and disclosure system. The Bank attaches great importance to external exchanges on sustainable development. We joined the Sustainable Development Working Group of the Institute of International Finance (IIF), published *How the Commercial Banking Sector Can Fuel a Pature-positive Future* on the official website of the World Economic Forum (WEF) in both English and Chinese and actively participated in international exchange activities organized by entities such as Shanghai Stock Exchange (SSE), China Association for Public Companies (CAPCO), International Sustainability Standards Board (ISSB).

Performance Capabilities of Governance Level

Diversity

The Bank formulated a nomination policy for the Board of Directors and a diversification policy for board members, outlining its stance on board member diversification and the ongoing measures taken to achieve it. The Bank views board member diversification as a key factor in attaining its strategic goals, maintaining competitive advantages, and achieving sustainable development. When composing the board membership, the Bank considers diversification in various aspects, including talents, skills, industry experience, cultural and educational backgrounds, gender, age, and other factors. As of the time of reviewing this report, the Bank's Board of Directors consisted of 13 directors, including three executive directors, five non-executive directors, and five independent directors.



Specialization

The Bank's Board of Directors is comprised of professionals from various fields such as finance, economics, accounting, risk management, corporate governance and sustainable development, effectively enhancing the Board's decision-making capabilities and strategic management. Board members have relevant working experience in risk management, green finance, and ESG matters.

Ms. LEUNG KO May Yee, Margaret has years of working experience in financial institutions, with extensive expertise on risk management. She previously served as a vice chairman and the chief executive of Chong Hing Bank Limited, a vice chairman and the chief executive of Hang Seng Bank Limited, the general manager and global co-head of Industrial and Commercial Business of HSBC Group, a director of HSBC, and a director of Wells Fargo HSBC Trade Bank; she was an independent non-executive director of China Construction Bank, Hong Kong Exchanges and Clearing Limited, Li & Fung Limited, QBE Insurance Group Limited (listed on the Australian Securities Exchange), etc. During her tenure at Chong Hing Bank and Hang Seng Bank, she chaired the Asset and Liability Management Committee and served as a member of the Credit Committee. While working at HSBC Australia, she was the Head of Risk Management. She has extensive experience in both financial institutions and risk management.

Mr. WANG Changyun has long been dedicated to research on corporate governance, financial risks, ESG, and other fields. He currently serves as a professor in finance at the School of Finance, a supervisor for Ph.D. candidates, the director of the Institute of International M&A and Investment and a deputy director of ESG Research Center of Renmin University of China. He is a special auditor with the National Audit Office of the People's Republic of China, participating in a number of national financial audit projects to prevent and mitigate financial risks. He concurrently serves as an independent director of China Cinda Asset Management Co., Ltd. and other listed companies, a vice president of China Investment Specialty Construction Association, an executive director of China Investment Association, and a director of China Finance Association.

Mr. JU Jiandong boasts academic and professional experience in international finance, green finance, and green transition. He is a Unigroup Chair Professor at PBC School of Finance in Tsinghua University, Chairman of China Trade Research Group (CTRG), Director of Center for International Finance and Economic Research (CIFER) and Center for Green Finance Research (CGFR), National Institute of Financial Research, Tsinghua University. He has been dedicated to academic and policy research on green finance and sustainable finance. He was previously a professor of economics (with tenure) at the University of Oklahoma, a consultant for World Bank, and a resident scholar in International Monetary Fund.

Ms. ZHUANG Yumin has extensive academic and professional experience in financial economics and risk management. She currently serves as the Dean and a professor of the School of Finance at Renmin University of China. She is also a deputy to the 14th National People's Congress and a member of the Finance and Economy Committee. She participated in several national expert seminars on preventing and resolving financial risks.

Capacity Building

The Bank continuously enhances the professional competence of its those charged with governance in sustainable development. Directors regularly participate in various training programs tailored for their roles to gain a profound understanding of national strategic orientations, future economic and industry development trends, thereby effectively elevating the governance capabilities of the Board. In 2024, the Bank organized training sessions for directors and supervisors, focusing on implementing the guidelines of the Third Plenary Session of the 20th National Congress of the Communist Party of China (CPC) and the Central Financial Work Conference. These training sessions aimed to help directors and supervisors accurately grasp the relationship between new quality productive forces and high-quality development, understanding the essence of the “Five Target Areas”, and enhancing their capabilities to perform their duties. Additionally, directors studied online courses related to sustainable development, covering topics such as amendments to the *Company Law of the People's Republic of China*, integrity building, and corporate governance.

Reporting, Oversight and Evaluation Mechanisms

Reporting Mechanism

The Bank established an internal reporting mechanism for sustainability information. The Board of Directors annually reviews the progress of sustainable development-related goals, oversees the implementation of strategies, periodically considers the sustainability reports, and irregularly listens to reports on the impacts, risks, and opportunities associated with sustainable development. For detailed information about the internal reporting mechanism for issues of double materiality, please refer to the respective chapters.

Oversight Mechanism

The Bank established an oversight and management mechanism related to sustainable development, defining in its Articles of Association the ESG governance responsibilities of the Board of Directors and its relevant specialized committees. The Board of Directors and its specialized committees oversee the Bank's overall progress in sustainable development by considering or listening proposals or reports on the setting of sustainable development goals, the progress of strategy implementation and goal attainment, comprehensive risk management, internal control, internal audit, the sustainability reports, and other relevant matters.

Evaluation Mechanism

The Bank incorporates sustainability indicators such as green credit, rural revitalization loans, and inclusive finance loans into the performance evaluation system for senior managers. It links remuneration resources to performance evaluation results, and improves corporate governance and incentive-constraint mechanisms. This effectively leverages remuneration as an incentive and constraint to promote sustainable development.

For more details on the governance over issues of double materiality, please refer to the "Governance" chapters on topics such as climate change tackling , rural revitalization, inclusive finance, innovation-drive, consumer interests protection, data security and customer privacy protection, and employees.

ENVIRONMENTAL

ISSUES

- Climate Change Tackling
- Pollutant Discharge
- Waste Disposal
- Ecosystem and Biodiversity Protection
- Environmental Compliance Management
- Energy Usage
- Usage of Water Resources
- Circular Economy

Climate Change Tackling

In an active response to the national peak carbon emissions and carbon neutrality goals, we formulated the *Green Finance Development Plan of Agricultural Bank of China (2021-2025)* and the *Peak Carbon Emissions and Carbon Neutrality Work Plan of Agricultural Bank of China*, and other special strategic plans to promote the development of green industries, assist the transition of carbon-intensive industries, and achieve our own Dual Carbon goals in a steady and orderly manner. Our down-to-earth practice helps to fulfill the national Dual Carbon goals and support the Beautiful China initiative.

Climate-related Governance

Climate-related Governance Bodies

We integrated climate-related strategic goals into our corporate governance structure consisting of the "Board of Directors, Board of Supervisors, and Senior Management" so as to provide organizational guarantee for coordinated efforts to promote the development of green finance and the realization of the peak carbon emissions and carbon neutrality goals.

Board of Directors Decision-making level	● The Board of Directors is actively engaged in the development of green finance, responsible for formulating the Bank's green finance development strategies and objectives, and organizing the evaluation on the implementation of such strategies. It also develops risk management strategies and risk appetite covering climate-related risks proactively. Furthermore, it considers or listens to reports on the green finance/peak carbon emissions and carbon neutrality work, the comprehensive management of risks (including environmental and climate-related risk), and the implementation of stress tests (including climate-related risk stress tests), among other things. ● The Board of Directors has a Strategic Planning and Sustainable Development Committee and a Risk Management and Consumer Interests Protection Committee subordinated to it. For details, please refer to the "*ESG Governance –Governance Structure– Board of Directors and Specialized Committees*".
Board of Supervisors Supervision level	● The Board of Supervisors oversees the performance of duties by the Board of Directors and Senior Management in green finance and climate-related risk management.
Senior Management Management level	● In accordance with the resolutions adopted by the Board of Directors and its specialized committees, the Senior Management is responsible for advancing the Dual Carbon work, coordinating the management of climate-related risks and green finance, formulating and implementing the risk management strategies and risk preferences, and continuously improving the management of green finance. ● The Senior Management has set up a Green Finance/Peak Carbon Emissions and Carbon Neutrality Work Committee, with President of the Bank serving as its Chairman. The Green Finance/Peak Carbon Emissions and Carbon Neutrality Committee is the deliberation, coordination and decision-making body for our green finance/peak carbon emissions and carbon neutrality work, responsible for planning the Bank's green finance/peak carbon emissions and carbon neutrality work as a whole, coordinating and implementing strategic decisions and overall deployment of the Board of Directors on the said work, reviewing major policy measures and annual work reports on the same, and deploying key tasks of the green finance work. In 2024, the Green Finance/Peak Carbon Emissions and Carbon Neutrality Working Committee considered and approved the *2023 Green Finance/Peak Carbon Emissions and Carbon Neutrality Work Report of Agricultural Bank of China*, the *2023 Green Finance Development (Environmental Information Disclosure) Report of Agricultural Bank of China*, and the *2024 Green Finance/Peak Carbon Emissions and Carbon Neutrality Work Points of Agricultural Bank of China*, etc., and organized discussions to promote the implementation plan for the high-quality development of green finance, green finance evaluation, green credit data quality management measures and other related work. ● The Senior Management has set up a Risk Management and Internal Control Committee, with President of the Bank serving as its Chairman. The Risk Management and Internal Control Committee is the consideration and decision-making body for the risk management of the Bank, responsible for coordinating the risk management and compliance management work, studying and considering the basic systems, programs and plans, major policies, important procedures, work plans and other important matters on risk management, and supervising the implementation of the foregoing. In 2024, the Risk Management and Internal Control Committee held 4 meetings, considered 13 proposals, and listened to 2 reports.
Relevant Departments of the Head Office Executive level	● We continue to improve the long-term mechanism for green finance development. Specifically, we set up an Office for the Green Finance/Peak Carbon Emissions and Carbon Neutrality Work Committee, identify member departments of the committee, and continuously enhance the cooperation and collaboration between the Head Office and branches, with a view to jointly promoting the high-quality development of green finance. ● We implement the working mechanism of the Risk Management and Internal Control Committee set up by the Senior Management, organize regular meetings, submit for consideration of the Group's risk appetite and comprehensive risk management strategy, listen to the comprehensive risk management report, and oversee the implementation of the resolutions of the meeting.

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

The Board of Directors, Board of Supervisors, Senior Management, and relevant departments of the Head Office have the expertise and skills required to monitor and implement strategies and systems related to climate-related impacts, risks and opportunities. We attach great importance to enhancing the expertise and skills of climate-related governance bodies (personnel) through training.

In 2024, we provided our directors and supervisors with training on duty performance (in the theme of new quality productive forces) to deepen their knowledge and understanding of financial services in the "Five Target Areas" and of the "New Quality Productive Forces", such as green finance. Moreover, we offered the personnel directly under the administration of the Head Office a training session on "Green Finance and Transition Development" in Switzerland, and customized face-to-face courses for them focusing on financial support for green transition and development.

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

In order to implement the requirements of the *Green Finance Guidelines for Banking and Insurance Industries* issued by the National Financial Regulatory Administration, the Office of the Green Finance/Peak Carbon Emissions and Carbon Neutrality Work Committee established a sound monitoring and evaluation mechanism for the implementation of green finance planning, improved the regular reporting mechanism and the review mechanism for key matters, and reported the development of green finance annually through meetings of the Board of Directors, the Board of Supervisors and the plenary meeting of the committee.

The Risk Management and Internal Control Committee set up by the Senior Management held regular meetings to consider the Group's annual risk appetite and comprehensive risk management policies, and listened to interim and annual comprehensive risk management reports.

Supervision over Climate-related Governance Bodies (Personnel)

We included green finance/peak carbon emissions and carbon neutrality in the matters to be considered by the Board of Directors. The Board of Supervisors oversees the performance of duties by the Board of Directors and Senior Management in green finance and climate-related risk management. We integrated green finance development into the performance evaluation system and incorporated the implementation of green finance policies and regulations into the internal control evaluation framework, guiding all branches and sub-branches to implement the green finance strategy. We enhanced the supervisory and advisory functions of internal audit as the third line of defense, and strengthened the auditing of green finance policy implementation.

The Bank continues to incorporate sustainability-related metrics, such as green credit, into the performance evaluation system for senior executives, linking remuneration resources to performance evaluation results to enhance corporate governance as well as incentive and restraint mechanisms. This ensures that remuneration serves as an effective incentive and restraint for promoting sustainable development. The assessment of green finance performance is linked to the performance evaluations of the leadership teams and executives of departments at the Head Office, branches and sub-branches, with remuneration resources tied to performance evaluation results.

Climate-related Factors Incorporated into the Decision-making Process by Climate-related Governance Bodies

We identified green finance as one of the three strategies during the "14th Five-Year Plan" period, and established the organizational structure, policy system, business system, and risk control mechanism to meet the requirements of green development and climate change. In practice, we guided our branches to allocate credit resources preferentially to green industries.

Climate-related Strategies

We identified climate-related impacts, risks and opportunities, formulated climate-related strategies and transition plans, and defined objectives and tasks. In practice, we implemented relevant work measures and made significant progress.

Climate-related Major Impacts

Climate-related impacts were identified through analysis from three perspectives: economic, environmental, and social.

Economic impact	Risks and Challenges	**Physical risk:** Extreme weather events, such as floods, droughts, typhoons, etc., will directly damage credit assets and reduce the repayment ability of enterprises and individuals.
		Transition risk: As China transitions toward a low-carbon economy, changes in policies, technologies, and markets will impact on high-carbon industries.
	Opportunities and Drivers	**Growth of green finance:** With the raising of environmental protection awareness and the promotion of policies, green finance business such as green credit and green bonds is developing rapidly, bringing new growth drivers and income sources.
		Optimization of resource allocation: Through credit and investment structural adjustment, the flow of funds can be guided to such key fields as clean energy, low-carbon transportation, and green manufacturing, thus promoting the green transition and sustainable development of the economy, and improving the overall efficiency and competitiveness of the economy.
Environ-mental impact	Impact from our own operations	**Green office:** Adopting energy-saving and emission reduction measures in our own operations will reduce energy consumption and greenhouse gas emissions, thereby lowering our direct impact on the environment.
		Green procurement: Environment-friendly products and services are prioritized in the procurement process, promoting the sustainable development of suppliers and indirectly reducing the environmental impact of the industrial chain.
	Impact from investment and financing	**Green transition and development:** Financial support is provided for environmental protection enterprises and projects through financial instruments such as green credit, green bonds, and green investment, in order to promote the development of green industries and the transition of high-carbon emission industries.
		Environmental risk management: Environmental and climate risk factors are incorporated into the credit approval and investment decision-making processes to push enterprises to strengthen environmental management, energy conservation and emission reduction, and reduce their negative impact on the environment.
Social impact	People's livelihood and well-being	**Employment Impact:** Decision-making on climate-related investments will impact the development of different industries and hence the employment structure. For example, investment and support to green industries can help to create more jobs related to new energy and environmental protection technology; restrictions on high-carbon industries can lead to job losses in some traditional industries and, in the long run, a shift in labor to emerging green industries.
		Security of livelihood: Extreme climate events will affect farmers and low-income people. Therefore, targeted financial services and products can be employed to help them cope with the risks and difficulties brought by climate change and in turn, ensure people's livelihood and social stability.
	Raising of public awareness	Climate-related actions and publicity can help to enhance the public awareness of climate change, guide society to form the concept and ethos of green consumption and low-carbon life, and improve the awareness of sustainable development across the society.

Climate-related Risks and Opportunities

Climate-related Risks

The climate-related risks faced by the Bank include physical and transition risks.

Impacts of Climate-Related Risks on the Bank and Their Countermeasures

Key risks	Risk factors	Key impacts	Time frames	Countermeasures
Credit risks	**Physical Risk:** Extreme weather and other natural disasters may cause damage to debtors' properties, assets, etc. and accelerate their depreciation, resulting in business interruption or collateral damage. **Transition risk:** In the background of addressing climate change and promoting the transition to low-carbon economy, policies on energy transformation, pollution prevention and control, and carbon emissions, among other things, may be introduced or tightened, and some industries have experienced cost increases, reduction in production, and heightened operational uncertainties.	The development of some high-carbon industries may be limited, the production costs of debtors increased, and their solvency compromised. For example, if they fail to meet the requirements of national environmental laws, regulations, or policies, they may face litigation or legal risks related to environment and climate, which will increase their risk of default.	Medium-to-long term	Strengthen the management of credit and investment to high-carbon industries, and the management of investment and financing business; improve the ESG risk management measures for the credit business, and strengthen the compliance investigation and review for areas such as environmental protection, production safety, and occupational disease prevention.
Market risks	**Transition risk:** Carbon emissions reduction policies may trigger price fluctuations in energy and industrial commodities, as well as revaluation of corporate bonds and stocks.	Consumers may reduce the consumption of high-carbon or non-environment-friendly products, and investors may reduce the investment in corresponding enterprises, which will exert an impact on the production and operation of some industries.	Medium-to-long term	Continuously monitor policy changes and properly assess their market impact; research and develop low-carbon and environment-friendly products and services in a timely manner to customers.
Liquidity risks	**Physical risk:** Extreme weather and other natural disasters may cause property loss on the part of borrowers, increasing their default risk. As a result, the working capital of clients and the operating liquidity of the banks may be adversely affected.	The business of clients and the operation of the banks are restricted, resulting in less sources of funds and lower level of liquidity.	Short-term, medium-to-long term	Continuously monitor and assess the impact of climate risks on the operation of the clients and the banks; embed climate risks into liquidity management and optimize the management in a timely manner.
Opera-tional risks	**Physical risk:** Natural disasters or extreme weather may damage or interrupt the operation of building facilities such as bank outlets and data centers, resulting in asset losses. **Transition risk:** The policies and regulations enacted to deal with climate change may modify the norms governing the business operation of the banks.	The business operation of the banks may be disrupted; and the compliance and legal risk of the banks may be increased.	Short-term	Ensure that the infrastructure of outlets complies with national standards for climate resilience; promote the construction of multiple data centers to ensure the continuity of the operation of data centers; and put business on the line and strengthen the building of the capacity to handle business online.
Repu-tational risk	**Physical risk:** The banks fail to provide enough support to clients affected by climate disasters. **Transition risk:** The banks holds an excessive amount of high-carbon assets. Loans may be issued to high-carbon enterprises in violation of regulations; due to the influence of environmental and climate-related factors, stakeholders may have negative opinions on the operation and management of the banks.	Negative views may be formed on the part of the public, media and regulatory agencies, affecting investor relations, customer relations, brand value, etc., which may result in greater operational risks.	Short-term, medium-to-long term	Regularly check potential reputational risks and proactively accept public supervision; and enhance the disclosure of environmental information.
Legal risks	**Transition risk:** Environmental protection, pollution prevention and control, energy conservation, and other laws and regulations may be introduced and strictly implemented.	Failure to follow up on the relevant laws and regulations of the country in a timely manner may result in legal proceedings or fines.	Medium-to-long term	Keep track of relevant laws and regulations and strengthen research and analysis; and organize relevant training on legal knowledge to improve the legal awareness of employees.

Note: Short-term refers to within 1 year (included) after the end of this reporting period; medium-term refers to 1 to 5 years (included) after the end of this reporting period; long-term refers to more than 5 years after the end of this reporting period.

Climate-related Opportunities

Guided by the peak carbon emissions and carbon neutrality goals, we implemented the new development concept, accelerated the transformation of our governance system, and promoted the development of green finance and the innovation of products and services, with a view to building a strong green finance brand with distinctive characteristics and wide recognition, promoting the transition to green and low-carbon industries, and providing financial support for the construction of ecological civilization and the green high-quality development of China.

Climate-related Opportunities for the banks

Types	Climate-related Opportunities
Dual Carbon policies	• *Opinions of the Central Committee of the Communist Party of China and the State Council on Implementing the New Development Concept in a Complete, Accurate and Comprehensive Manner to Advance the Peak Carbon Emissions and Carbon Neutrality Work* • *Opinions on Improving the Systems, Mechanisms and Policies for Green and Low-carbon Energy Transition* • *Opinions of the Central Committee of the Communist Party of China and the State Council on Advancing the Beautiful China Initiative in All Respects* • *Energy Conservation and Carbon Reduction Action Plan (2024-2025)*
Financial sector opportunities	• *Guiding Opinions on Building a Green Finance System* • *Green Finance Guidelines for the Banking and Insurance Industries* • *Guiding Opinions on Further Strengthening Financial Support for Green and Low-Carbon Development* • *Guiding Opinions on Providing Financial Services in the "Five Target Areas" (Technology Finance, Green Finance, Inclusive Finance, Pension Finance, and Digital Finance) by the Banking and Insurance Industries* • *Guidelines on leveraging Green Finance to support the Building of a Beautiful China*
Industrial development opportunities	• Green industries and the low-carbon transition and upgrading of traditional industries have development potentials • The green transition of production and operation, such as the technological upgrading and transformation of small and micro enterprises and farmers, and pollution treatment, brings capital demand • The modernization of agriculture and rural areas and the construction of ecologically livable villages have entered the stage of rapid development
Changes in consumer behaviors	• The preference for green products, such as food with green organic certification, energy-saving and environment-friendly household appliances and the like, has obviously enhanced • Consumers value the practical actions of enterprises in ESG terms and prefer to choose such brands • Consumers tend to choose green means of mobility, such as subway and bus, or buy new energy vehicles • Consumers also like to reduce the carbon footprint of their food consumption by changing their diet • With a preference for environment-friendly packaging materials, they prefer products packaged with recyclable and degradable materials

Impact of Climate-related Risks and Opportunities on Business Models and Value Chains

The impacts of climate-related risks and opportunities on the Bank's business model mainly cover business expansion and innovation, capital investment and asset structure optimization, risk management requirements, customer consumption model, social responsibility, and brand image. The impact on our value chains mainly involve the selection of upstream green suppliers, the cooperation with suppliers in innovation, the provision of comprehensive green financial services for downstream clients, and the assistance in achieving carbon emission reduction targets on the part of clients.

Impact of Climate-related Risks and Opportunities on the Strategies and Decision-making of the Bank

For details of the methods adopted by the Bank to formulate strategies and make major decisions in response to climate-related opportunities and risks, such as strategic decision-making mechanisms and management measures, please refer to the section "Climate Change Tackling – Climate-Related Governance". For the Bank's plans to achieve climate-related strategic goals and the information on how we measure the progress of such plans, please see the section "Climate Change Tackling – Climate-related Strategies and Transition Plans".

Climate-related Strategies and Transition Plans

We established the green finance strategy as one of the three major strategies during the "14th Five-Year Plan" period. Under that strategy, we formulated the *Green Finance Development Plan of Agricultural Bank of China (2021-2025)*, to achieve the goals we set for the "14th Five-Year Plan" period and the medium-to-long term targets afterward.

Basic Assumptions

On the one hand, the realization of the "Dual Carbon" goals will generate demand for green investment, whereas a strong policy system and a rich and diversified market system will provide a rapid growth opportunity for the green finance business of commercial banks. On the other hand, changes in economic growth patterns, emerging disparities in regional economies and the revaluation of bank assets that may result from peak carbon emissions and carbon neutrality will challenge the ability of commercial banks to develop their business.

Transition Plans and Progress

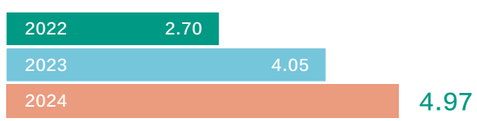
The Bank formulated guiding documents such as the *Guiding Opinions on Accelerating the Development of Green Finance of Agricultural Bank of China* and *the Work Plan for Peak Carbon Emissions and Carbon Neutrality*. We define work responsibilities on green finance/peak carbon emissions and carbon neutrality work every year, specify our annual objectives and key tasks, promote the implementation of green finance strategies. We also reduce our own operational carbon emissions, actively support energy transformation, industrial upgrading, ecological and environmental protection, and green technological innovation, providing effective financial solutions for the comprehensive green transition of economic and social development.

Green Credit

In 2024, we incorporated the green and low-carbon requirements into the credit policy guidance in general, the credit policy guidance for agriculture, rural areas and rural residents, and the credit policy guidance for inclusive finance, and coordinated our credit policies to support the high-quality development of rural revitalization, inclusive finance, green finance, and real economy at the same time. According to the requirements of national industrial policies, we included relevant standards, such as the ones on technology, energy consumption, and environmental impact, in our industry-specific credit policies to guide more investment in key green and low-carbon development fields.

Focusing on green industries, such as energy conservation and environmental protection, clean production, clean energy, ecological environmental protection, the green upgrading of infrastructure, and the provision of green services, etc., we increased the allocation of green credit, innovated in characteristic products and service models, and maintained rapid growth of the green credit. To meet the requirement of accelerating the green transition of development patterns, we stepped up the green development services for traditional industries, and supported the green transition, energy conservation and consumption reduction of high-carbon industries. In addition, we developed a list of major green finance projects for the year 2024, and entered a total of nearly 3,000 projects into the list. By the end of 2024, the balance of green credit was RMB4.97 trillion with the growth rate of 22.9% from the end of the previous year, 12.8 percentage points higher than the average growth rate across the Bank.

Balance of Green Credit in the Last Three Years (RMB trillion)



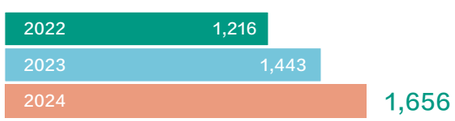
We optimized and promoted the application scenarios of such loans, e.g., smart animal husbandry and smart forestry, to expand financing channels for the green development of agriculture, rural areas and rural residents. In the meantime, we met the financial needs of the green transition of production and operational modes, such as the technological upgrading and transformation of small and micro enterprises and farmers, and pollution treatment, supported the green production of agriculture (the control of dispersed coal use, etc.) and the green consumption in rural areas (construction and renovation of low-carbon farm houses, clean cooking utensils and sanitary ware, new energy vehicles, clean heating transformation, etc.), and satisfied the financial needs of expanding green smart home appliances to the countryside and trading in old appliance for new ones. Moreover, we actively supported major projects under the Belt and Road Initiative, such as international energy cooperation and infrastructure connectivity projects. In particular we supported a number of green industry projects such as the 950MW concentrated solar thermal power station in Dubai and the hydropower station in Karot-Karon Province of Pakistan.

Green Bonds

Green bonds issuance. In February 2025, we issued RMB60 billion green bonds in the interbank market, the largest single issuance of green bond in China in record, out of which the issuance size for three-year green bonds was RMB50 billion with an interest rate of 1.85%, and for five-year green bond was RMB 10 billion with an interest rate of 1.88%.

Green bond investment. Focusing on green industries such as clean energy, green upgrading of infrastructure, energy conservation and environmental protection, we actively invested in green bonds. By the end of 2024, the balance of green bond invested for our own account stood at RMB 165.6 billion, an increase of RMB21.3 billion or 14.8% compared with the end of the previous year. The investment in sustainability-linked bonds amounted to RMB 2.9 billion on a cumulative basis, and during the reporting period, it increased by RMB 0.13 billion; on the other hand, the accumulative investment in transition bonds totaled RMB1.82 billion. As a result, we were among the top ones in the National Association of Financial Market Institutional Investors' list of investors of green debt financing instruments.

Balance of Green Bonds Invested for Our Own Account in the Last Three Years (RMB 100 million)



Green bonds underwriting. We focused on green and low-carbon fields such as clean energy, green buildings, energy-saving and environmental protection, to underwrite green bonds, carbon-neutral bonds, and sustainability-linked bonds, among others. In 2024, we underwrote 62 green bonds (including carbon-neutral bonds), with an offering size of RMB120.6 billion and an underwriting size of RMB32.4 billion. Particularly, we innovatively issued the country's first green debt financing instrument for the renewal of equipment and the trade-in of old consumer products for the new ones. In 2024, we underwrote 5 sustainability-linked bonds, with an underwriting size of RMB2.09 billion.

Green Investment

By the end of 2024, the cumulative investment size of green debt-to-equity swap by ABC Investment was RMB53.5 billion, up 6.4% compared with the end of the previous year, accounting for 32% of the total debt-to-equity swap assets. Seizing the opportunity of the interconnection between the capital markets of Hong Kong and the Mainland, ABC International expanded its green business, with the balance of green investments reaching HKD2.9 billion by the end of 2024.

¥53.5 billion

ABC Investment's cumulative investment size of green debt-to-equity swap

HK$2.9 billion

ABC International's balance of green investments

Green Leasing and Wealth Management

As of the end of 2024, the balance of green leasing assets of ABC Financial Leasing was RMB 65.0 billion, supporting clean energy, green upgrading of infrastructure, ecological environment, energy conservation and environmental protection, with green leasing assets accounting for 64%. ABC Wealth Management has a total of 61 ESG-themed wealth management products in existence, with a total point-in-time size of RMB 69,426 million.

¥65.0 billion

ABC Financial Leasing's balance of green leasing assets

¥69,426 million

ABC Wealth Management's size of ESG-themed wealth management products in existence

Green Funds

We continued to deepen the cooperation relationship with the National Green Development Fund to satisfy the demand for equity financing in the field of green development. By the end of 2024, we paid in RMB 2.8 billion in total for that purpose. By establishing Shanghai Power Investment Suihe Equity Investment Fund, Jiaxing Suihe Zhejing Investment Fund, Beijing Green Science and Technology Innovation Suihe Beigong Equity Investment Fund, and Suihe Zhirong Lvke (Shanghai) Private Equity Fund, ABC Investment focally invested in enterprises and projects related to green fields such as wind power, photovoltaic power, and other clean energy industries. By the end of 2024, it invested RMB6.84 billion in those areas on a cumulative basis. Additionally, ABC-CA Fund Management promoted green fund products and the size of its green investment funds reached RMB8,958 million as of the end of 2024.

¥8,958 million

ABC-CA Fund Management's size of green investment funds

Green Consumption

We increase the supply of green credit card products and upgrade the rural revitalization credit card to help the rural green industries thrive. We also expand the scenarios of green payment in key areas such as green transportation, ecological culture and tourism, providing easy access to green consumption. Moreover, we tap the green consumption potential across counties, and lead the new low-carbon style of consumption through special promotions such as marketing new energy vehicles to the countryside and trading in old household appliances for new ones. We also work with international card organizations to implement forest ecological restoration and other public welfare initiatives.

Carbon Financial Services

As the **Only** state-owned commercial bank to have connected to the national carbon market, we continued to improve the "ABC Carbon Service" function to provide secure and efficient fund settlement and account management services for the national carbon market and its members and to ensure the efficient and stable operation of the market.

Operation

We implemented the *Peak Carbon Emissions and Carbon Neutrality Work Plan of Agricultural Bank of China*, and rolled out a series of measures to promote energy conservation and carbon reduction around nine key tasks, including building green outlets, promoting green offices, advancing green energy use, advocating green transportation, building carbon management capacity, enhancing technology empowerment, deepening "carbon neutrality" pilot program, implementing green procurement, and creating green culture.

Promoting Green Offices

Vigorously promote green meeting. We actively promoted the online meeting system and strengthened the whole process management of paperless meeting. Meeting notices, participant registration, and material distribution were all handled online. We also promoted the use of tablet computers and other approaches to view meeting materials, significantly reducing paper materials. We tightened the overall management of all meetings. If a meeting can be held via teleconference or video, we would not require participants to be on site.

Strengthening the support of electronic platforms. With the integrated office information system, we vigorously promoted the use of electronic signature. Non-confidential documents, signatures and reports, etc. are all delivered by the office system under general circumstances. Meanwhile, we enhanced the use of information technology in the management of archives and developed our own integrated archive management platform, which was estimated to save over 50 million pieces of paper every year. In addition, we promoted and realized the whole-process digitalization of official documents, and developed the Xinchuang version of official document management system, realizing the whole-process online processing of non-confidential official documents. During the reporting period, we launched the new generation procurement platform, i.e., ABC E-procurement, to make our procurement electronic throughout the process, saving over 40 thousand sets of paper bidding documents.

Deepening Carbon Neutrality Pilot

Our Beijing, Tianjin, Shanxi, Heilongjiang, Zhejiang, Hubei, Guangdong, Yunnan, Xinjiang Corps, and Shenzhen Branches, as well as our affiliates such as Changchun Financial Research and Training Institute, actively created diverse "carbon-neutral" outlets. By way of making work plans, taking energy-saving and emission reduction actions, carrying out carbon accounting, purchasing Certified Emission Reduction (CER), China Certified Emission Reduction (CCER), etc., to offset carbon emissions, and obtaining "carbon-neutral" certification, they built role models of "carbon-neutral" operations.

Building Green Outlets

With reference to relevant national green building standards, we developed the *Guidelines of Agricultural Bank of China for the Construction of Green Outlets*. In the process of renovating, relocating or building new outlets, we adopted energy-saving measures for lintel signboards, indoor lighting, air-conditioning and heating, paper use, decoration materials, intelligent control, etc., to implement green development requirements and promote green transition of our outlets. In an effort to promote green outlets, by the end of 2024, we completed the construction of 2,681 green outlets.

Advancing Green Energy Use

For details, please refer to the section "Environmental Issues – Energy Usage and Circular Economy".

Advocating Green Transportation

We actively advocate for "green transportation and low-carbon lifestyle" to enhance employees' environmental and ecological awareness. Through diverse thematic activities, we integrate the concept of green and low-carbon lifestyle into the work and daily life of our employees, transforming green transportation into a conscious action among them.

We advocate the use of green and low-carbon transportation facilities and equipment. During the reporting period, new energy vehicles were particularly included in the official vehicle renewal plan, with new energy vehicles accounting for more than 30%. The requirement of energy conservation and emission reduction was applied to the official vehicle outsourcing services. Also, we encouraged employees to use public transport, walk to and from work, and use carpooling as much as possible to reduce vacancy rate.

Enhance Carbon Management Capabilities

We shortened the time span for energy consumption data collection to enhance the data base for carbon emission trend analysis; continued to conduct group-wide Scope 1 and Scope 2 carbon inventories, and explored the inclusion of Scope 3 municipal water use in the inventory scope; and engaged a third-party professional institution to verify the energy data and carbon dioxide emissions, ensuring that the carbon dioxide emissions and relevant supporting documents are complete and reliable, and comply with the applicable local standards and accounting report guidelines.

Enhancing Technology Empowerment

We strengthened the support of the ESG risk management system and launched intelligent ESG risk early warning functions to automatically integrate early warning information into credit business investigations and reviews, thereby enhancing the efficiency of ESG risk identification.

We effectively managed green finance data statistics by establishing a data management system and processes, continuously refining relevant source labelling system, and implementing full-process management of green credit information for corporate loans within the credit system.

We promoted the construction of an Internet of Things platform, and completed the development of a bank-wide IoT platform, and put it into operation at Zhejiang Branch. The platform helps to provide terminal data such as those on water, electricity, soil and air pollutant emission for our green finance business, providing data support for business decision-making and helping with the sustainable development of green finance business.

In addition, we advanced and completed the development of a carbon emission and energy consumption monitoring platform, and put it into operation. On that basis, we comprehensively optimized the platform's functions related to energy consumption, carbon emissions, and carbon cockpit, added new features such as energy consumption data review and import, carbon emissions data aggregation on a level-by-level basis, etc., and improved the quality and efficiency of data entry and the visualization level of carbon inventory.

Implementing Green Procurement

We formulated the *Management Measures for Centralized Procurement* and *the 2024 Catalogue for Centralized Procurement of the Head Office* to specify the green procurement requirements such as giving priority to energy-saving and environment-friendly products. For bid evaluation, we set scoring items such as environmental protection certification and environmental management system certification to require, encourage or guide suppliers to implement national requirements for energy conservation and emission reduction. We launched the new-generation procurement platform, ABC E-Procurement, realizing whole-process digitalization of procurement. During the reporting period, it saved over 40 thousand sets of paper bidding documents.

Creating Green Culture

We incorporated green development requirements into our *Corporate Culture Manual* and strengthened the publicity of green concepts to guide our employees to establish the awareness of ecological and environmental protection. Also, we made the proposal of *Taking the Lead to Practice Green Life Style to Serve as a Practitioner, Contributor and Leader of Green Life*. In addition, we launched the "ABC Charity" brand, and organized employees to participate in green pro bono activities such as planting trees and cleaning cities. On our official WeChat account, we carried out the publicity events in the theme of "National Low Carbon Day" and "National Ecological Day". Finally, we conducted "Clean Your Plate Campaign" to stop food waste and enforced waste sorting.

Responding to Green Initiatives

We continued to deepen win-win collaboration in the field of green finance. In practice, we joined the United Nations' Global Investors for Sustainable Development Alliance (GISDA), signed the *Belt and Road Green Investment Principles* and *the Responsible Banking Principles* successively, actively supporting the implementation of the United Nations Sustainable Development Goals and the *Paris Agreement*. For many years in a row, we participated in the Sustainable Finance Summit organized by the Institute of International Finance and the annual meeting of the GISDA, to share our experiences with global peers. Besides, we participated in the China Corner side event of the 15th Conference of the Signatory Parties to the United Nations *Convention on Biological Diversity* and jointly issued the *Common Action Plan of Banking Financial Institutions in Support of Biodiversity Conservation*. As the only representative of financial institutions from China, we attended upon invitation the opening ceremony of the China Corner event on the sideline of the 28th Conference of the Parties to the *United Nations Framework Convention on Climate Change* (COP28) and the side event "Ecological Civilization and Beautiful China Practice", demonstrating our achievements in developing green finance and tackling climate change.

Resource Guarantee

Strengthening the guarantee of resources. We gradually increased various resource inputs to promote the development of green finance and ensure that the allocation of resources matched the needs of green finance operation and management. We also provided support for green credit in terms of economic capital measurement to secure our business development. For green finance business, we established a green channel for review and approval, and included relevant business of our key green finance clients and items of our major green finance project library in the scope of differentiated review and approval to raise the efficiency of our business approval. Moreover, we strengthened financial support and allocated special funds for green finance business.

Strengthening training and cultivation of professionals. We established a green finance talent pool, covering our Head Office, branches and subsidiaries with integrated operations, as well as business lines such as credit management, corporate business, agriculture, rural areas and rural residents, financial market, international finance, etc. In addition, we provided training courses on the green finance transition of agriculture and rural areas in Hong Kong to train key business personnel for that purpose. Besides, we offered 258 special training sessions on "green finance", benefiting over 10 thousand person-times. On the "ABC E-Learning" platform, we also launched 53 selected online courses related to green finance, which received 0.19 million visits. Using the "ABC Lecture Hall" as the platform, we invited internal and external experts to lecture on climate change response and green finance, so as to broaden our employees' vision and mind.

Conducting forward-looking research. Based on the strategic deployment of the country and focusing on the business concerns of the Bank, we published the *Integrated Development of Green Finance and Inclusive Finance: Policy, Standard and Practice Research*, released *the Blue Paper on Commercial Banks and Investment Banks Supporting the Sustainable Development of Agriculture in the Background of Deepening the Development of Green Finance,* and formed several research reports on hot issues such as carbon market, sustainable information disclosure, and green finance standards.

258

number of special training sessions on "green finance"

10 thousand+

person-times of participants

Climate–related Financial Impact during the Current Reporting Period

We assessed the impact of climate change on the Group's profit and loss, taking into account factors such as expected credit loss, fair value, income and expenditure, estimated liabilities, insurance contracts, and additional inputs and costs required to achieve climate-related objectives and commitments.

In terms of the expected credit loss

We considered the impact of climate change-related risks and opportunities in the process of measuring such loss for the current reporting period. In terms of the categorization of exposure, we added the climate risk consideration to reflect its impact on the credit risk exposure of our portfolios in a timely manner. At the same time, we integrated the ESG risk management into the entire credit business management process and regarded it as an important basis for the credit rating of our clients. Furthermore, we adjusted the stage of the management in a timely manner, and re-assessed the value of our collaterals regularly to reflect the impact of climate risk on our model parameters. On that basis, we reasonably accrued relevant impairment provisions according to the expected credit loss model.

In terms of changes in fair value

Our assets measured at the level 3 fair value included investments in climate-affected enterprises. The impact of climate change was considered in the above-mentioned fair value assessment model. The affected assets mainly included non-listed equity formed by our debt-to-equity swaps. During the reporting period, the impact of climate change on fair value was not significant.

In terms of income and expenditure

We thoroughly implemented the development concept of green finance, enriched the supply of green consumption financial products, and improved the quality and efficiency of financial services for consumption purposes focusing on the diversified demand of residents for green consumption finance, which had a positive impact on our finance. **In terms of green credit**, we increased the support for green building mortgage business to support consumers in purchasing green houses, continued to increase the credit support for purchasing energy-saving buildings and green buildings, and effectively promoted the accelerated development of green housing credit business. Meanwhile, we innovated in the scenarios of spending on big-ticket green items, focused on the purchase, use and replacement of new energy vehicles, and increased the consumer loans for NEVs relying on products such as "expedited online loans", "car link loans" and "car e-loans". In addition, by issuing green low-carbon credit cards, we provided multiple exclusive mobility benefits, such as preferential prices for bus and subway travel, to incentivize clients to practice the environmental protection concept. The extension of green credit contributed to the growth of interest income. **In terms of green bonds**, we, as a lead underwriter, underwrote such bonds for enterprises and collected underwriting fees according to underwriting size and underwriting rate, thus obtaining income in the form of handling fees. During the reporting period, all issuers of the green debt financing instruments underwritten by us were high-quality clients with relatively low underwriting fee rates, so the underwriting fee income had no significant impact on our overall income. In our bond investment business, the number of bond issuers affected by climate change was relatively small. During the reporting period, therefore, climate change factors had no significant impact on our income and expenditure concerned. **In terms of green financing**, in 2022, we issued RMB15 billion of green bonds with a three-year fixed interest rate and RMB5 billion of green bonds with a five-year fixed interest rate. In general, the cost of green financing was lower than that of other related liabilities in the same period, which was beneficial to saving the interest expense of the Bank. Notably, the RMB15 billion three-year green bonds issued in 2022 with a fixed interest rate would mature in October 2025.

Climate-related Impacts, Risks and Opportunities Management

ESG Risk Management System

We incorporated climate-related risk factors into the ESG risk management system to enhance the identification, assessment, management and process control of ESG risks and continuously improve the effectiveness of ESG risk management. Our ESG risk management covers credit (including corporate and project financing) and investment banking businesses. At the same time, we laid down the *Measures of Agricultural Bank of China for the Environmental, Social and Governance Risk Management of Credit Business* to implement thorough, full-process ESG risk management for our credit business on a category-by-category basis. We incorporated ESG risk management requirements into the whole process of our credit business, and clarified the key points to be reviewed on various links such as due diligence, review, approval, and duration management, to improve the delicacy management of ESG risks and strengthen the binding policies such as "one-vote veto" system for the management of ESG risks. With respect to industries greatly affected by long-term trends such as average temperature rise, desertification and sea level rise, as well as traditional energy industries and high-carbon industries considerably impacted by transition risks, we conducted risk assessment and monitoring and issued early warning in a timely manner.

In terms of risk appetite, we put in place relevant requirements of the *Green Finance Guidelines for the Banking and Insurance Industries*, optimized description on the "credit risk appetite of green finance business", and monitored indicators such as "non-performing rate of green loans", so as to coordinate the development and security of our green credit business. In terms of risk management strategy, we clarified the requirements for the risk management of green finance business and enhanced the identification and management of ESG risks for bond underwriting and investment business, small and micro enterprises, and online products.

On the other hand, we improved the emergency plan system for operations, defined the emergency management requirements for rainstorm, flood, typhoon and other natural disasters, and established sound material reserve, disaster prevention patrol and on-duty reporting mechanisms, to ensure the safety of our clients and employees and the continuity of our financial services. What's more, we organized business continuity trainings and emergency response drills to improve our ability to respond to and deal with emergencies. We also strengthened the construction of multi-data centers to improve our ability to secure stable business operations.

Inclusion of ESG in Credit Policy

Credit Policy Related to Agriculture

In an effort to implement the national requirements for promoting green development of agriculture and accelerating the reduction of agricultural inputs to increase efficiency, we formulated the *Credit Support Policy for Grain Industry, the Credit Policy for Crop Seed Industry*, the *Credit Policy for Pesticide Manufacturing Industry*, the *Credit Policy for Fertilizer Manufacturing Industry*, the *Credit Policy for Edible Vegetable Oil Processing Industry*, and other documents for grain, seeding, pesticide manufacturing, fertilizer manufacturing, and edible vegetable oil processing industries, so as to continuously increase policy support for green agriculture. In addition, we strengthened the policy orientation toward green environmental protection and focused our support on environment-friendly, efficient and safe pesticide and fertilizer producers. On the premise of securing national food supply, we increased credit support in areas such as adjusting crop structure, improving crop variety, and promoting green and efficient cultivation techniques, with clear policy guidance that green and environment-friendly projects were preferred. We strengthened the identification and management of ecological and environmental risks for customers in agriculture-related industries, enforced stricter environmental protection requirements for discharge, and rigorously implemented the "one-vote veto" system for customers and projects that violate laws by discharging livestock and poultry manure without meeting ecological and environmental protection standards.

Credit Policy Related to Biodiversity

We made the *Credit Policy for Crop Seed Industry, the Credit Policy for Forestry and Processing Industries*, the *Guiding Opinions on Extending Credit to Support the High-quality Development of Traditional Chinese Medicine Industry*, and other credit policies related to biodiversity protection to increase the support for green agriculture across its value chain, such as ecological planting, ecological breeding, and underforest economy. Regarding clients with significant ESG risks, we strictly implemented the "one-vote veto" system. On the other hand, we actively supported afforestation and forest tending projects with outstanding carbon sinks or carbon sequestration effects. In particular, we actively provided financial services for the integrated protection and systematic treatment of mountain, water, forest, farmland, grassland and desert ecosystems, and for major biodiversity protection projects. In our industry-specific credit policies, we laid down the clear requirement to raise the awareness of ecological protection, pay attention to the environmental violation records and environmental protection supervision of enterprises, and keep a close eye on the ESG risk and other key indicators. With respect to clients and projects with significant ESG risks, we strictly enforced the "one-vote veto" mechanism.

Credit Policy Related to the Power Utilities

We worked out a slew of credit policies, including the *Credit Policy for Thermal Power Industry*, the *Credit Policy for Hydropower Industry, the Credit Policy for Wind Power Industry*, the *Credit Policy for Solar Power Industry*, the *Credit Policy for Nuclear Power Industry*, and the *Credit Policy for Biomass Power Generation Industry*. In practice, we comprehensively managed the relationship between carbon reduction and energy security, highlighted such requirements as greenness, environmental protection, energy consumption and production safety, specified the requirements for pollution discharge permission and environmental protection in industry-based credit policies, paid attention to key indicators for ESG risks, gave priority to clients and projects complying with ecological protection requirements, and resolutely exited the projects explicitly banned or eliminated by the government.

Credit Policy Related to Oil, Gas and Mining

We formulated relevant industry credit policies, such as the *Credit Policy for Coal Industry*, the *Credit Policy for Petrochemical Industry*, and the *Credit Policy for Mining and Dressing Industry of Metal Mines*. These policies defined the access standards for clients and projects, and required to strictly deny projects failing to meet the requirements of the national industrial policies. Furthermore, we put forward relevant requirements for the management of ESG risks and attached great importance to the performance of enterprises in terms of energy efficiency, environmental protection, and production safety.

Incorporation of ESG in Due Diligence

We established and are continuously improving the ESG risk management integration in our credit business. In practice, we incorporated ESG risks into due diligence and conducted ESG risk investigation and assessment on the basis of ESG risk factors relevant to the enterprises and industries. With regard to ESG intensive industries such as high-carbon industries, we strengthened investigation and review of compliance in terms of environmental protection, production safety, and occupational disease prevention, among other things.

Deep dive assessments for ESG intensive industries in due diligence

A client was mainly engaged in the construction and operation of coal-fired generator units. In engaging the client for a high-efficiency ultra-supercritical coal-fired indirect air cooling unit, we strengthened the due diligence investigation into the client's ESG risks, and in a timely manner, followed up on its handling of the administrative punishment previously meted out to it for environmental violations by requiring provision of extra supporting documents. After confirming that the client had made corrections required, and in light of the fact that it was in an industry with relatively more ESG risk factors, we continued to strengthen the mid- and post-loan tracking and investigation against the client to urge it to enhance the prevention of ESG risks.

Besides, we carried out ESG risk due diligence in bond investment and bond underwriting business, and strengthened the pre- and post-investment management of green bonds. For pre-investment, we focused on the green attributes of the funded projects, their economic and environmental benefits, fund supervision, and the issuer's management of environmental and social risks. For post-investment, we continuously tracked and analyzed the environmental benefits of the investment targets, improving the quality and effectiveness of post-investment management. ABC Investment issued the *Measures for the Management of Environment, Social and Governance Risks*, which applied ESG requirements to due diligence, review, agreement signing, post-investment management and other links of debt-to-equity swap projects to improve the ESG performance of invested enterprises.

ESG Due Diligence Triggers and Risk Escalation Process

Establishing an ESG risk identification system → Improving the ability to manage on a category-by-category basis → Optimizing the requirements for whole-process management

Establishing an ESG risk identification system. We explicitly defined the ESG risk escalation process, and laid down measures such as risk investigation, risk assessment and risk escalation. Likewise, we clearly included energy consumption, pollution, land, health, safety, ecological protection, climate change, etc. of our clients in the scope of ESG risk management, extending the coverage of such management to all corporate clients and various credit businesses. Therefore, the foregoing risks were all incorporated into our credit management system as an important basis for credit decision-making.

Improving the ability to manage on a category-by-category basis. As per the level of potential ESG risks faced by our clients, we divided them into different risk categories and implemented differentiated management measures for them. Accordingly, we actively guided and facilitated the credit business in support of green, low-carbon and circular economy, enforced "one-vote veto" for non-eco-friendly clients and projects, and developed targeted management and control measures over clients that had a record of violating laws and regulations governing environmental protection, production safety, etc. and had not yet made the required corrections.

Optimizing the requirements for whole-process management. We incorporated the requirements for ESG risk management into the entire credit business management process, clarified the key points to be reviewed on various links such as due diligence, review, approval, duration management, and implemented dynamic assessment and whole-process control requirements to improve the delicacy management of ESG risks. In managing credit extension, for customers with relatively high ESG risk concerns, we entered into statements and commitment clauses for enhanced ESG risk management in loan contracts or commitment letters, and for customers confirmed to have significant ESG risks, we adopted measures such as termination of fund disbursement and recovery of issued credits in accordance with contractual agreements. In managing duration, we included the collection, identification, classification and dynamic analysis of information on our clients' ESG risks in the duration management process, and took targeted management measures for clients with potential significant ESG risks.

ESG Risk Escalation Case

We provided financing services for a client in the textile industry. During the service period, the client was subject to administrative punishment given by the local administrative department due to its failure to take adequate production safety measures and submit environmental impact assessment documents for a construction project according to law, and relevant punishment was published on the Credit China website. In accordance with our requirements for the management of ESG risks, we decided not to issue new credit loans to the client. After the client made the rectification required, submitted to us its rectification measures and the rectification completion certificate issued by the competent department, and completed the credit repair on Credit China, we strictly reviewed its rectification materials, confirmed its completion of the rectification, and lifted the credit ban accordingly.

Improving Climate Resilience

We employe technologies and tools such as scenario modelling, stress testing, financial technology, and big data to improve the delicacy management of environment and climate risks and enhance climate resilience. In 2024, we further strengthened the research on climate risk and its transmission path, independently built and improved a climate-related risk stress testing system that fit the national conditions of China and was close to our actual condition, constantly increased the breadth, depth and granularity of climate risk stress testing, and optimized our scenario design, methods, and models, to make our quantitative climate-related risk analysis more scientific and pertinent.

Designing Climate–related Risk Stress Scenarios

Closely following the latest international agreements on climate change, such as the *Paris Agreement,* drawing on international common scenarios provided by the Central Bank and Supervisors Network for Greening the Financial System (NGFS), the United Nations Intergovernmental Panel on Climate Change (IPCC), and considering the Dual Carbon policies and national conditions of China, we constructed four transition risk scenarios, namely, orderly transition, disordered transition, greenhouse world, and the "3060 road map" with Chinese characteristics, as well as two physical risk scenarios, namely, high greenhouse gas emission (RCP8.5) and moderate greenhouse gas emission (RCP6.0). The design of scenarios considered the short-, medium-, and long-term impacts of climate change, as well as a wide range of factors such as climate policy, carbon emissions reduction, carbon tariffs, stranded assets, disaster losses, and covered a series of quantitative indicators such as macroeconomics, industrial capacity, energy consumption, carbon emissions, carbon price, It aimed to simulate the paths leading to the possible climate scenarios in the future, with a view to providing references for us to identify and manage the uncertainties brought about by climate change.

Brief Description of Typical Climate Scenarios

Item	Scenario description	Application of scenarios
Orderly scenario Net zero 2050	Through strict climate policy and innovation, keep global warming below 1.5°C and achieve net zero global carbon dioxide emissions around 2050. In this scenario, the physical risk is low, but the transition risk is high, relatively speaking.	Transition risk Physical risk
Disorderly scenario Delayed Transition	Assuming that emissions reductions do not begin until after 2030, stricter policies will be needed to reduce carbon emissions more rapidly to ensure that there is an opportunity to limit global warming below 2°C. This will result in higher transition and physical risks than in the "net zero 2050" scenario.	Transition risk Physical risk
Hot house word scenario Current policies	Assuming that only the policies currently in place continue, global carbon emissions will continue to grow until 2080 and temperatures are expected to rise by 3°C, resulting in high physical risks.	Transition risk Physical risk
"3060 Road Map" of China	Implement climate policies and control carbon dioxide emissions in accordance with China's goals, i.e., peaking carbon emissions by 2030 and neutralizing carbon emissions by 2060.	Transition risk Physical risk
High GHG emission scenario (RCP8.5)	It is estimated that the global mean surface temperature may increase by 1.4°C to 2.6°C between 2046 and 2065 and by 2.6°C to 4.8°C between 2081 and 2100 relative to the period from 1986 to 2005, resulting in serious physical risks.	Physical risk
Moderate GHG emission scenario (RCP6.0)	It is estimated that the global mean surface temperature may increase by 0.8°C to 1.8°C between 2046 and 2065 and by 1.4°C to 3.1°C between 2081 and 2100 relative to the period 1986 to 2005, resulting in higher physical risks.	Physical risk

Expanding and Deepening the Stress Test for Climate Transition Risk

Scope and method of the test: On the basis of carbon emissions intensity and other conditions, we selected industries relatively more affected by transition risk factors as the object of stress test. During the reporting period, we conducted transition risk stress test on key industries such as thermal power, steel, upstream coal and iron ore mining, and expanded its coverage to 10 carbon-intensive industries. The focus of the scenario modelling was placed on assessing the potential impact of rising carbon emission costs and transition pressure on the Bank's credit assets. The test took 2024-2030 as the test period, used a "bottom-up" method to collect the production and operation, export trade, carbon emission and other data of our clients during the base period, established transmission paths in light of key factors such as output, capacity, price, carbon cost, and energy consumption in different climate scenarios, and measured the future financial performance of the clients based on key assumptions that they might need to cover part of the carbon emission cost, their carbon emission reduction might lead to the grounding of some assets, and their insolvency might make them unable to repay their debt. On that basis, we used our own rating model to measure the trend of changes in their default risks on a year-by-year and case-on-case basis, and in turn measure the asset quality, expected losses and capital adequacy ratio of the Bank.

In the meantime, we conducted macro scenario stress test for transition risk at the industry portfolio level, using a "top-down" approach, with the test period spanning 2024-2060. Based on previous practice, the test iteratively optimized the pressure scenario and risk transmission model by incorporating the key variables of macro-economy and high-carbon industries into the analytical framework. It measured the changes of default probability for each category of industry under different carbon emission reduction paths based on the statistical regression model and in turn, assessed the pressure bearing capacity of the Bank to the transition risk.

The test results showed that clients in carbon-intensive industries might see their credit ratings lowered and their default probability raised to a certain extent under the stress scenario due to the impact of low-carbon transition factors. However, due to the relatively low share of loans issued to relevant industries, that had little impact on the Bank's overall asset quality and capital adequacy level, and our overall risk was therefore controllable.

Actively Promoting the Stress Test for Climate Physical Risk

Scope and method of the test: For typhoon disasters that occur relatively frequently and cause large losses in China, we drew on the climate patterns predicted by the Coupled Model Intercomparison Project and the leading industry practices in modeling catastrophe risks to research and analyze the loss curves of typhoon disasters and their impact on the value of our real estate-type collaterals. Besides, we simulated and established a conductive relationship between typhoon disaster losses and the default rate of personal housing loans. Also, given our exposure to the personal housing loans in coastal areas sensitive to typhoons, we quantitatively assessed the impact of typhoon disasters on our personal housing loans under different climate scenarios, continuously expanding to new fields for climate-related risk stress test.

The test results showed that the probability of default of individual housing loans in coastal areas would be slightly increased due to typhoon disasters under extreme climate scenarios, but the impact on the Bank was small.

Enhancing the Application of Climate-related Risk Stress Test Results

Stress test has become an important tool for the Bank to manage climate risks. The results of such test are included in the comprehensive risk management report and submitted to the Board of Directors for consideration. At the same time, they are gradually applied to climate-related risk identification and investment and financing management activities to enhance the Bank's climate resilience. The test results can be used for the following purposes: providing reference for decision-making in climate risk quantification, industry credit policy formulation, asset structure adjustment, etc.; identifying and evaluating potential systemic risks, and providing basis for formulating and perfecting risk appetite of the Group and risk management strategy of the green finance business; deepening the understanding of climate-related risks and opportunities and sharpening the capability to respond to climate-related risks in a forward-looking way by carrying out special training on climate-related risk stress test, organizing branches to collect climate risk data/information, and implementing climate risk stress test in a collaborative manner.

Strengthening Climate-related Risk Stress Test for Overseas Institutions

Our Hong Kong Branch has established a workflow and methodology model for climate-related risk stress test. During the reporting period, the branch conducted the transition risk stress test for high-carbon industries under the NGFS disordered transition scenario and, at the same time, conducted the physical risk stress test for its real estate collaterals and self-owned properties under the IPCC RCP8.5 scenario. It actively participated in and successfully completed the second round of climate-related risk stress test organized by Hong Kong Monetary Authority for the banking sector. The stress scenarios included three long-term scenarios, i.e., orderly transition, disordered transition, and current policies maintained, which were all provided by NGFS, and one short-term scenario given by the HKMA. More specifically, the Hong Kong Branch conducted the transition risk stress test for the loans issued to and the bond investments made in key carbon-intensive industries, respectively, and undertook the physical risk stress test for its real estate collaterals, self-owned properties and Mainland clients affected by extreme weather events.

Similarly, our Frankfurt Branch continuously strengthened the quantitative analysis of climate risks, and regularly carried out the transition and physical risk stress test. During the reporting period, with reference to the climate-related risk stress test practices of the European Central Bank, as well as to industry data and internal models, the branch designed stress scenarios such as orderly transition and greenhouse world, as well as stress test methods, to simulate the impact of extreme climate scenarios on the default probability of its clients and on the ESG rating of climate-sensitive industries, and assess the climate-related credit risks faced by its asset portfolios.

Deepening the Research and Exchange of Climate-related Risk Stress Test

During the reporting period, we continued to track the new dynamics and trends of climate-related risk stress test carried out by domestic and foreign regulatory authorities, discussed and exchanged the experience of climate-related risk stress test with regulators, peers and industry experts several times, and continuously enriched and improved our practices of climate-related risk stress test. As a result, our abilities to mine data, build models, analyze risks, and apply test results were further improved.

Climate-related Indicators and Targets

Setting Climate-related Targets

We set climate targets at both the financing level and operational level. As one of our three strategies, green finance was written into our "14th Five-Year Plan" to promote the green transition of our operation and management in all respects. To that end, we set the targets of maintaining the growth of green finance, better highlighting our brand advantage, making our systems and mechanisms sounder, and significantly enhancing our risk control capability. The indicator used to measure the climate target at the investment and financing level is the growth rate of green credit remaining higher than the average growth rate of all loans; it was designed to measure the business progress of the Bank during the "14th Five-Year Plan" period. The climate target at operational level is that during the "14th Five-Year Plan" period, we will strive to build 1,000 new green outlets in 2025, building on the 2,681 green outlets already established, which was designed to measure the progress of emission reduction across the Bank during the above-mentioned period.

Progress of Climate-related Targets and Practices of Emissions Reduction

During the "14th Five-Year Plan" period, we achieved climate-related targets every year.

Progress of Climate Targets at Investment and Financing Level

Our green finance saw improved quality and increased quantity, with significant environmental benefits. By the end of 2024, the balance of our green credit was RMB4.97 trillion, with the growth rate of 22.9% over the previous year, which was 12.8 percentage points higher than the average growth rate of total loans across the Bank, equivalent to saving 61.99 million tons of standard coal and 164.29 million tons of water, and reducing the emission of 148.33 million tons of carbon dioxide equivalent, 2.23 million tons of nitrogen oxides, 3.40 million tons of sulfur dioxide, 0.23 million tons of chemical oxygen demand, and 0.03 million tons of ammonia nitrogen, respectively.

¥4.97 trillion
balance of green credit

22.9%
growth rate

12.8 percentage points
higher than the average growth rate of total loans

61.99 million tons
equivalent annual saving of standard coal

148.33 million tons
equivalent annual reduction in carbon dioxide

164.29 million tons
equivalent annual water saving

2.23 million tons
equivalent annual reduction in nitrogen oxides emissions

3.40 million tons
equivalent annual reduction in sulfur dioxide emissions

0.23 million tons
equivalent annual reduction in chemical oxygen demand

0.03 million tons
equivalent annual emission reduction in ammonia nitrogen

Progress of Climate Targets at Operational Level

We set nine tasks at the operational level, including the construction of green outlets, and 2,681 green outlets were completed and found to have met relevant requirements by the end of 2024, helping us to realize the climate-related targets at operation level according to our plan.

2,681

number of green outlets that met relevant requirements by the end of 2024

Branches in Beijing, Tianjin, Shanxi, Heilongjiang, Zhejiang, Hubei, Guangdong, Yunnan, Xinjiang Production and Construction Corps, Shenzhen, as well as subordinates such as the Changchun Financial Academy, actively established diversified "carbon-neutral" outlets, implemented energy conservation and emission reduction initiatives, conducted carbon accounting, purchased Certified Emission Reduction (CER) and China Certified Emission Reduction (CCER) to offset carbon emissions, thereby obtaining "carbon-neutral" certification.

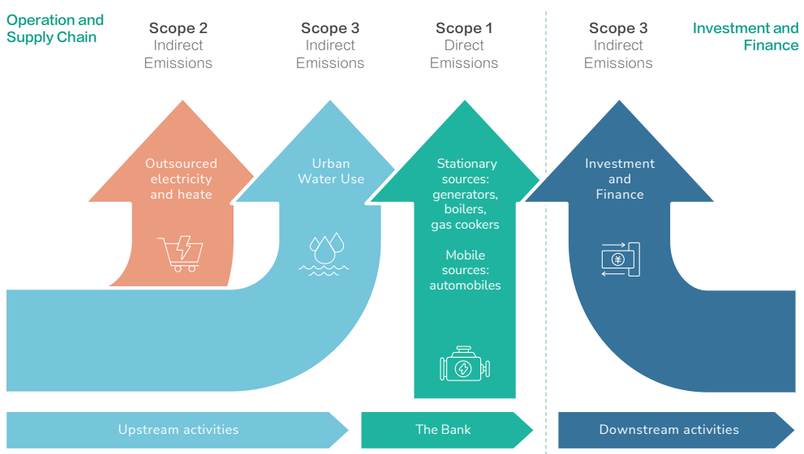
In support of the energy-saving goals of the Beijing Municipal Government for the "14th Five-Year Plan" period, the Bank carried out energy-saving and emission-reduction efforts. According to the 2024 carbon emission verification, Beijing allocated 18,087 tons of carbon emission allowances to the head office for the year 2023, with an actual surrendering requirement of 15,329 tons. The Head Office completed the surrendering in a timely manner.

For the progress of other tasks, please see the section "Climate Change Tackling - Transition Plans and Progress".

GHG Emissions

Before calculating and reporting greenhouse gas emissions, we determined the consolidation method to define its organizational boundaries. The control approach is adopted where we accounted for all greenhouse gas emissions from the business operations we control, while excluding emissions from operations we hold interests but do not have control. When applying the control approach, we adopted the operational control standard. The reporting period for greenhouse gas emission accounting and reporting aligns with that of this report.

We have been advancing carbon emission accounting for investment and financing activities, following the principle of "prudent and orderly progress with pilot projects leading the way". We have organized 37 branches to explore pilot carbon accounting for investment and financing in three key industries: electricity, steel, and livestock farming. We comprehensively analyzed the pilot accounting results and challenges faced, and outlined the next steps for work.



The Scope I, Scope II and Scope III GHG emissions of the Bank in 2024 are shown in the table below.

GHG Emissions in 2024

GHG scope	Metric tonne of carbon dioxide equivalent (MT CO_2e)
Total GHG emissions (Scope 1 + Scope2)	2,138,909.92
GHG emissions per capita (Scope 1 + Scope 2)	4.61
Scope 1 GHG emissions	165,275.90
Emissions from stationary sources	80,557.61
Emissions from mobile sources	84,718.29
Scope 2 GHG emissions	1,973,634.02
Scope 3 GHG emissions	4,049.06
Emissions from municipal water use	4,049.06

Note: GHG emissions are calculated at the Group level.

Sources of GHG Emissions

Scope	Sources of GHG emissions
Sources of Scope 1 emissions	Emissions from stationary sources: generators, boilers, gas cookers Emissions from mobile sources: vehicles
Sources of Scope 2 emissions	Outsourced electricity and heat
Sources of Scope 3 emissions	Municipal water use

GHG Emissions Calculation Methods

The calculation of Scope 1 and Scope 2 GHG emissions is based on the relevant requirements for activity level data and emission factors in ISO14064-1 *Greenhouse Gases — Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals, Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions by Public Building Operating Units (Enterprises) (Trial)*, and *Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2021*. The calculation of Scope 3 GHG emission (municipal water use) is based on relevant requirements for municipal water emission factors, activity level data in the *Greenhouse Gas Protocol System Enterprise Accounting and Reporting Standards, Enterprise Value Chain (Scope 3) Accounting and Reporting Standards*, and the "Ministry of Industry and Information Technology of the People's Republic of China Key Raw Material Industry Carbon Neutrality Public Service Platform - Raw Material Industrial Product Carbon Footprint Basic Database (CNCD)". The Scope 3 GHG emission contains category 1.purchased goods and services -municipal water use.

Calculation Method for Scope 1 Emissions

Scope 1 GHG emissions were accounted for using the emission factor approach. Emission factors are the GHG emissions per unit source activity level (e.g., per ton of coal or per kWh of electricity).

Sources of Scope 1 emissions	GHG Emissions Calculation Methods
Stationary sources of emissions / Mobile sources of emissions	$E_{GHG}=AD\times EF\times GWP$ E_{GHG}——Greenhouse gas emissions, measured in metric tonne of carbon dioxide equivalent (MT CO_2e) AD ——Greenhouse gas activity data, including fossil fuel consumed by emission sources such as generators, boilers, gas stoves, vehicles, etc. EF——Greenhouse gas emission factors GWP——Global warming potential, measured by carbon dioxide emissions from fixed/mobile emission sources only, without other categories of greenhouse gases. Therefore, the value equals 1

Calculation Method for Scope 2 Emissions

The sources of our Scope 2 emissions were mainly outsourced power and heat, which were calculated according to the emission factor method.

1. The formula used to calculate the CO_2 emissions from the power purchased by the Bank was:

$$E_{Outsourced\ electricity}=AD_{Electricity}\times EF_{Electricity}$$

$E_{Outsourced\ electricity}$	The carbon dioxide emission of the power outsourced by the Bank, with the unit being metric tonne of carbon dioxide equivalent (MT CO_2e)
$AD_{Electricity}$	The volume of electricity outsourced in the accounting and reporting year, in megawatt-hour (MW·h)
$EF_{Electricity}$	The grid emission factor in metric tonne of carbon dioxide equivalent per megawatt hour (MT CO_2e/ MW·h)

For the selection of the grid emission factor, the *Carbon Dioxide Emission Factors for the Power Sector 2021* issued by the Ministry of Ecology and Environment was used.

2. The formula used to calculate the CO_2 emissions from the heat purchased by the Bank was:

$$E_{Outsourced\ heat}=AD_{Heat}\times EF_{Heat}$$

$E_{Outsourced\ heat}$	The carbon dioxide emission of the heat outsourced by the Bank, with the unit being metric tonne of carbon dioxide equivalent (MT CO_2e)
AD_{Heat}	The volume of heat outsourced in the accounting and reporting year, in gigajoule (GJ)
EF_{Heat}	The emission factor of heat consumption in metric tonne of carbon dioxide equivalent per gigajoule (MT CO_2e/ GJ).

As the outsourced heat were traceable, the carbon dioxide emission factor provided by the supplier of heat was therefore adopted.

Calculation Method for Scope 3 Emissions

Based on actual conditions, the bank first calculated Scope 3 greenhouse gas emissions for municipal water use in Category 1: purchased goods and services. The calculation is based on the *Shanghai Stock Exchange Guidelines for Listed Companies No. 4 – Sustainability Report Preparation*, the *GHG Protocol Corporate Accounting and Reporting Standard*, and the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. The specific formula is:

$$E_{municipal\ water\ use}=A_{municipal\ water\ use}\times EF_{municipal\ water\ use}\times GWP_{CO_2\ (global\ warming\ potential\ value)}$$

$E_{municipal\ water\ use}$	CO_2 emissions from the upstream production and manufacturing stages of the lifecycle of municipal water use, in metric tonne of carbon dioxide equivalent (MT CO_2e)
$A_{municipal\ water\ use}$	Annual quantity of municipal water use in the accounting and reporting year, in tons (t)
$EF_{municipal\ water\ use}$	Emission factor for municipal water use, in metric tonne of carbon dioxide equivalent per ton (MT CO_2e/t)
$GWP_{CO_2\ (global\ warming\ potential\ value)}$	This calculation only addresses CO_2 emissions from municipal water use and excludes other greenhouse gases; thus, the value is set to 1

Primary and Secondary Data Status for Scope 3 Categories

Category	Primary Data	Secondary Data
1. Purchased Goods and Services – municipal water use	The Bank's annual municipal water use in 2024 is collected on the Group level	Emission factor for municipal water use from the "Ministry of Industry and Information Technology of the People's Republic of China on the dual carbon public service platform for key raw material industries - Basic Database of Carbon Footprint of Raw Material Industrial Products (CNCD)"

Case 1
Shandong Branch Innovatively Created an Integrated Carbon Reduction Service Model

Relying on the Bank's Green Finance Research Institute and revolving around supporting the construction of a pilot area for green and low-carbon high-quality development in Shandong Province, Shandong Branch based its "carbon footprint" financial services on the lead green transition projects of the province and mainstreamed such services into its financial business, thus creating an integrated carbon reduction service model. The service included four modules, i.e., green energy loans, green financing, zero carbon chain, and easy carbon sink, in order to meet the financial needs of enterprises in all areas of "carbon reduction, carbon sequestration, carbon trading, carbon mortgage and pledge". By making innovations in product structures, supported fields, service models, and operation mechanisms, Shandong Branch created many "national firsts" of their kind. Moreover, by promoting collaboration among "credit, bonds, industrial chains, and public/private sectors", establishing a sound "innovation, incentive and constraint" mechanism, and providing enterprises and individuals with comprehensive green financial services across multiple lines of business, it built a closely knit service network for the financial sector to support green and low-carbon development, thereby promoting green finance.

Background

The Bank signed a comprehensive strategic cooperation agreement with the Government of Shandong Province and jointly established the Green Finance Research Institute. Focusing on supporting the national strategy of creating a pilot area for green and low-carbon high-quality development in Shandong Province, Shandong Branch explored and formed an integrated green financial service model that provided a green and low-carbon development case featuring "high quality, high efficiency and high alignment", and gained recognition from all sectors of society.

Innovative Practices

(I) Innovation of Operation Mechanisms: The Shandong Branch firmly promoted the innovation of organizational mechanisms for green finance. It took the lead in setting up the Department of Green Finance Innovation, established a cross-departmental and cross-level flexible green finance team, improved the "innovation + incentive + constraint" mechanism design, and issued special support and guarantee measures for green finance from the aspects of strategic plan implementation, business process optimization and differentiated policy issuance. In addition, it created green channels, and put in place expedited approval mechanisms for green finance, such as processing business in parallel and allowing the approval of a project when it fails to produce sufficient documentation, to promote the efficiency of business.

(II) Innovation of Supported Fields: Centering on the key areas of the construction of a pilot area for green and low-carbon high-quality development in Shandong Province, Shandong Branch implemented in depth the work deployment of the *Three-year Action Plan of Shandong Province for Carbon Finance Development (2023-2025)*. In practice, it explored and supported carbon reduction, carbon sequestration, carbon trading, and carbon mortgage and pledge, provided the "financing + settlement" integrated services for power generation, heat supply, and other energy-consuming industries as sources of carbon footprint, and created several business records. Particularly, it explored the carbon asset mortgage and pledge business, and helped to build the first "city of zero carbon heat supply" in China, thus serving the construction of a "National Demonstration Zone for Zero Carbon Industries".

(III) Innovation of Service Models: Shandong Branch fully integrated the advantageous resources of the Bank, customized individualized products for enterprises and individuals from the green industries, and conducted multi-line integrated marketing activities for its credit, investment banking, transaction banking, international, and personal financial services. In doing so, it created a service mode featuring "closely knit processes, chained operations, and networked marketing". The innovated guarantee modes facilitated the win-win development of both the Bank's financial service and the key industries of Shandong Province.

(IV) Innovation of Product Structures: Shandong Branch built a multi-dimensional product system that consists of "green credit, green bond, zero-carbon industrial chain, and carbon sink services", thus covering all aspects of the production and operation of green enterprises.

"Green Energy Loans" Service Model: With green credit at the core of its services, the Shandong Branch assisted industries as the source of "carbon footprint" in reducing their emissions more quickly. It continued to promote the release of loans to new energy projects, such as wind power, photovoltaic power, and energy storage projects. In 2024, it approved RMB 22.58 billion and actually disbursed RMB 17.88 billion of loans for wind, photovoltaic, and energy storage projects. In the same year, it achieved full-service coverage for the 9 nuclear power projects of Shandong Province, approved over RMB 40 billion and released RMB 7 billion of loans for those nuclear power projects. The supported projects could effectively replace the consumption of standard coal and reduce the emission of carbon dioxide by nearly 56 million tons.

"Green Financing" Service Model: Shandong Branch broadened its financing channels, enriched its product supply, and provided investment banking services for the green operations of enterprises. It issued RMB 0.6 billion for the "carbon neutrality and special rural revitalization bond", the first dual-purposed super-short-term financing bond in China, and RMB 0.7 billion for the "carbon neutrality, special rural revitalization, and tech innovation bond", the country's first three-purposed bond. Moreover, it underwrote RMB 0.72 billion of the dual-purposed "green + tech innovation bond" as a main underwriter, became the custodian of RMB 5 billion in carbon neutrality corporate bond funds, and created the Bank's first innovative green carbon neutrality financing tool. Furthermore, it took the lead in establishing a sustainability-linked three-year syndicated loan of RMB 1 billion, pegging its lending rate to five indicators, including air pollutant emission, water consumption, water reuse rate, alkali recovery rate, and newly created jobs. The loan created a record-breaking sustainability-linked syndicated loan for both the pulp and paper-making industry of China and for the foreign-funded enterprises in the country.

"Zero Carbon Chain" Service Model: Focusing on core energy enterprises, the Shandong Branch promoted "zero carbon" operations across the upstream and downstream enterprises through supply chain financial services. It actively carried out integrated marketing aimed at "trading centers and power-selling companies", provided omni-chain financial services for clients both upstream and downstream of the industry chain, and launched the "e-guarantee" service for contract performance in the power industry. In addition, it increased RMB 1.173 billion in business circle financing. Moreover, it issued RMB0.44 billion of loans to the upstream nuclear power equipment manufacturing industry, and RMB 1.805 billion of loans to the downstream energy storage projects. Furthermore, it efficiently completed the approval of a RMB0.53 billion loan for a nuclear heating project to support the replacement of coal-fired heating with nuclear heating. The project could save about 132.8 thousand tons of coal consumption, thus reducing the emission of 2,946 tons of smoke and dust, 1,571 tons of sulfur dioxide, 285 tons of nitrogen oxides, and 257 thousand tons of carbon dioxide. , which helped Haiyang City of Shandong Province become the first "city of zero-carbon heat supply" in China.

"Easy Carbon Sink" Service Model: Shandong Branch helped its carbon market clients engage in carbon trading and realize the value of their carbon assets. Relying on the "ABC Carbon Services" platform, it actively promoted marketing and customer engagement on the carbon market, and opened settlement accounts for 40 clean energy enterprises. Also, it actively made use of the carbon-inclusive platforms to gradually tap the potential of individuals in realizing carbon sink through data integration. Last but not least, it explored carbon asset mortgage and pledge, and introduced new credit enhancement means, such as the confirmed right to renewable energy subsidies and the right of earnings from marine carbon sink, to activate the "dormant carbon assets" of enterprises.

Positive Results

(I) Significantly increased operational benefits: Through the integrated carbon reduction service model, the Shandong Branch supported the key green transition projects of Shandong Province and contributed to the energy transformation and upgrading and green, low-carbon development of the province. As of the end of 2024, it released RMB 24.9 billion in project loans and underwrote RMB 9.16 billion of bonds under the service model, creating a number of records.

(II) Considerable benefits from energy conservation and emission reduction: The offshore wind power project funded by Shandong Branch was fully connected to the grid and put into production. With an annual power generation of 1.621 billion kWh, it could effectively replace 486.3 thousand tons of standard coal consumption and reduce the emission of carbon dioxide by 1,264 thousand tons. After all the six GW-level nuclear power units financed by the Branch are put into commercial operation, they are estimated to generate 52.5 billion kWh of electricity on a yearly basis, cut the emission of carbon dioxide by 28.30 million tons, and meet about 6% of the power demand across Shandong Province. The nuclear heating project funded by the Branch used the exhaust steam from the high-pressure cylinder of the power generating unit as the thermal source to heat the circulating water in the heating pipeline. Replacing coal-fired heat with nuclear heat, it could save the coal consumption by about 132.8 thousand tons, and reduce the emission of smoke and dust by 2,946 tons, sulfur dioxide by 1,571 tons, nitrogen oxides by 285 tons, and carbon dioxide by 257 thousand tons, all on a yearly basis.

(III) Sound social benefits: While promoting the green development of industries, the financial services of the Shandong Branch also promoted the employment of local residents, increased their per capita income, and helped them shake off poverty and increase income. Moreover, they boosted the employment of local people by providing more than 2,000 jobs. To relocate villagers, the projects financed built new houses, schools, and hospitals, with the construction area totaling 0.15 million square meters, and constructed five roads, thus improving the living conditions of local villagers. Additionally, they supported local government to develop industrial parks, which pooled upward of RMB 100 billion of investment and formed a complete industrial chain.

Pollutant Discharge

In compliance with the *Environmental Protection Law of the People's Republic of China* (PRC) and the *Law of the PRC on the Prevention and Control of Air Pollution*, among other laws and regulations, we integrated the Beautiful China and ecological environmental protection initiatives into our development strategy and corporate governance process. We and our holding subsidiaries were not included in the list of enterprises required to disclose their environmental information according to law.

As the pollutants from the operation of the Bank are mainly derived from the official vehicles used for business purposes, we formulated procurement and management policies and Green Logistics work plans for our official vehicles, increased the share of new energy official vehicles in our fleet, strengthened the management and regular inspection and maintenance of all our official vehicles, and reduced the frequency of such vehicles being used so as to reduce the emission of air pollutants discharged.

Air pollutants	Unit	2024
Nitrogen oxide emissions	kg	203.87
Sulfur dioxide emissions	kg	29.72
Carbon monoxide emissions	kg	5,516.49
Particulate matter emissions	kg	71.95

Note: The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.

Waste Disposal

In compliance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and the *Standard for Pollution Control on Hazardous Waste Storage*, among other laws and regulations, we stepped up efforts in identifying and reducing the waste generated in our operation process according to the principles of reduction, recycling and safe disposal.

We formulated waste management policies as the *Measures of Agricultural Bank of China for the Management of Fixed Assets Disposal* to clarify the management requirements for various wastes.

Standardization of Waste Management

- Widen the scope of application of energy-saving equipment and technology, prolong the service life of equipment, and reduce the generation of waste at the sources.
- Standardize the hazardous waste disposal processes. Require the waste fluorescent tube and storage battery treatment service providers to have the *Hazardous Waste Operation License*, and sign hazardous waste treatment service contracts with them to agree that hazardous waste be treated in a harmless and centralized manner.
- Strengthen the management of the disposal of electrical and electronic equipment. Issue the *Management Measures of Agricultural Bank of China for the Disposal of Fixed Assets* to strictly require that electronic products such as waste computers and printers be retired and removed properly.
- Put in place the requirements for the sorting of domestic garbage. More specifically, lay down the requirements for the sorting and centralized clearing and transportation of garbage and for the environmental management of garbage rooms and that kitchen waste be recycled and treated centrally by the professional company contracted by the urban management committee concerned so as to achieve category-based statistics
- Advocate the resource conservation and waste reduction culture. In practice, erect garbage sorting signs, provide garbage sorting guidance, and create a favorable atmosphere.

Waste	Unit	2024
Total amount of hazardous waste	ton	**164.88**
Discarded toner cartridge	ton	24.90
Discarded lead-acid batteries	ton	106.68
Discarded fluorescent lamp	ton	33.30
Total volume of non-hazardous waste	ton	**591.21**
Computer (mainframe) scrape	ton	61.58
Monitor scrap	ton	18.00
Laptop scrap	ton	7.42
Printer scrap	ton	39.03
Server scrap	ton	24.52
Discarded dry batteries	ton	3.15
Office paper	ton	437.51

Note: The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.

Ecosystem and Biodiversity Protection

We strictly adhere to the ecological conservation red lines to secure the ecosystem and avoid potential biodiversity damage. Also, we actively channel funds into biodiversity-friendly projects and enrich our biodiversity-related financial products and services.

Firmly Sticking to the Bottom Line of Ecological Operation

In strict accordance with the requirements of ecological environment-related laws and regulations, no outlets had been set up within the ecological conservation red lines. The 5 outlets located in the living areas of nature reserves all strictly comply with the management requirements of local authorities, observing the operation concept of seeking harmonious coexistence between man and nature.

Tianjin Dahuangbao Sub-branch, located in the living area of Dahuangbao Wetland Reserve, Wuqing District, was set up earlier than the nature reserve. According to the *Wetland Protection Law of the People's Republic of China* and the *Opinions of Tianjin on the Long-term Ecological Protection and Treatment Mechanism for Dahuangbao Wetland Reserve*, the outlet adheres to the basic principle of "giving priority to ecology and taking protection first" in its daily operations to maintain the ecosystem function and biodiversity of the wetland.

Foziling Sub-branch, located in the living area of the Foziling Forest Nature Reserve in Huoshan County, Anhui Province, was established earlier than the said nature reserve. According to the *Forest Law of the People's Republic of China and the Master Plan for Foziling Reservoir Scenic Spot*, the outlet adheres to the principles of "giving priority to ecology, taking protection first and seeking sustainable development" in its daily operations to ensure the ecological security of the forest reserve.

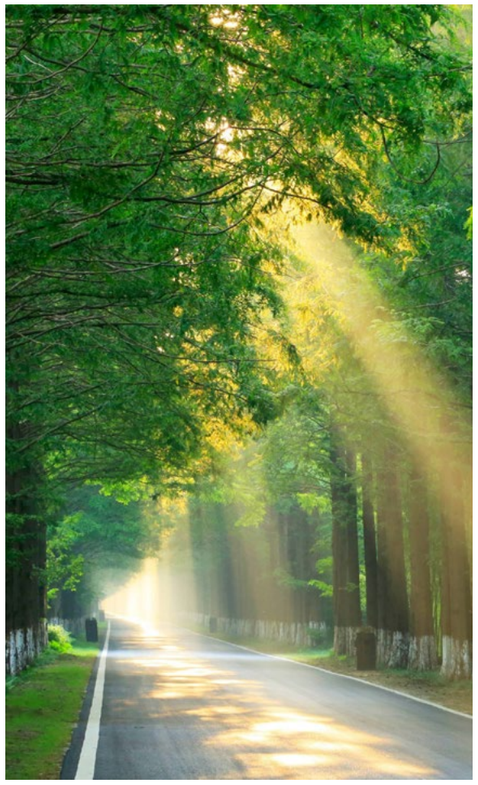
Gaoyang Sub-branch, located in the living area of Xiaojiang Wetland Reserve in Yunyang County, Chongqing, was established earlier than the ecological protection area said. Its daily operations comply with the *Wetland Protection Law of the People's Republic of China* and *the Wetland Protection Plan of Yunyang County (2024-2030)*, and firmly implement the principle of securing the ecosystem functions and sustainable utilization of the wetland for the sake of legal compliance.

Chentang Sub-branch in Dingjie County and Qudang Sub-branch in Dingri County, Tibet, are both located in the living area of Mount Qomolangma International Forest Reserve. In daily operations, they comply with the *Forest Law of the People's Republic of China* and the *Administrative Measures for Mount Qomolangma National Nature Reserve* to protect the extremely high mountain ecosystem, mountain forest ecosystem, and shrub and grassland ecosystem there.

Actively Supporting Ecological and Environmental Protection Industries

Clarifying credit requirements for the environmental information disclosure of key industries, Strictly Observing the Ecological Conservation Red Lines. We formulated credit policies for agriculture-related industries such as grain, livestock and poultry breeding, etc., strengthened the identification and management of agriculture-related clients' ecological environment risks, enhanced the requirements for pollution discharge and environmental protection, and strictly implemented the "one-vote veto" system for clients or projects that failed to implement the ecological and environmental protection requirements, such as those who illegally discharged livestock and poultry manure. In addition to that, we clarified the management requirements that clients in the mining, petrochemical and other industries be forbidden to do business in nature reserves, and continuously tracked the impact of key projects on the environment, natural resources, and ecosystems.

Increasing support in key fields of ecological and environmental protection. We formulated credit policies for forestry, seed industry and other industries related to biodiversity protection, launched service improvement actions for revitalization of the seed industry, increased omni-chain support for green agriculture such as ecological planting, ecological breeding, under-forest economy, and modern seed industry. Moreover, we stepped up support for key ecological and environmental protection projects, supported the protection of natural forests and animal and plant resources, and served the construction and protective operation of nature reserves and national parks. Furthermore, we developed special policies to support the ecological protection and high-quality development of the Yellow River Basin and the high-quality development of the Yangtze River Economic Belt, and actively provided financial services for the holistic protection and systematic treatment of mountains, waters, forest, farmland, grassland and desert ecosystems and for the operation of major biodiversity conservation projects.



Participating in Ecological and Environmental Protection Activities

Under the "ABC Charity" brand, we actively carried out the "Guard" campaign, organizing various green-themed public welfare activities, such as planting trees, cleaning cities, etc. For details, please refer to the "Social Issues – Contributions to the Society" section.

Environmental Compliance Management

Under the criteria outlined in the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, the Bank did not occur any significant administrative penalties imposed by environmental or other relevant authorities, or pursued for criminal liabilities, due to environmental incidents.

Energy Usage

Following the *Action Plan for Energy Conservation and Carbon Reduction (2024-2025) issued by the State Council of the People's Republic of China* and other relevant requirements of the State Council, we formulated the *Energy Management Measures for the Head Office of Agricultural Bank of China* to further enhance energy management and raise the overall efficiency of energy use. To meet our energy conservation target for the "14th Five-Year Plan" period, we continuously monitored the total amount and intensity of energy consumption and strengthened the management of energy-consuming equipment while securing the energy supply for high quality development, thus achieving the steady improvement of energy efficiency.

We continuously improved energy conservation in the data and computer rooms. In particular, we actively constructed the energy efficiency indicator system for the computer rooms at our data centers to improve the monitoring, evaluation and statistical functions and track the changes in energy consumption; we explored the possibility of using AI technology to optimize energy efficiency of the air conditioning system in a smart way; and we seasonally optimized the operation mode of cooling devices, water pumps, cooling towers and other equipment to reduce the energy consumption of terminal air conditioners, thus improving the power usage effectiveness (PUE) on a year-on-year basis. Our Daoxianghu Computer Room in Beijing was awarded the title of a National Green Data Center.

Energy Conservation and Carbon Reduction Measures

- Carry out the energy conservation and emission reduction work for office buildings by signing energy management contracts with property management companies to enforce management responsibility.
- Tighten the management of lighting in public areas to ensure that the lights are out when people leave and are managed on a area-by-area basis; monitor outdoor temperature changes and switch on the central air-conditioning system according to the maximum energy conservation plan to ensure the proper temperature of the building; and strengthen the management of hot water supply, and adjust the temperature of hot water according to temperature changes to save heat.
- Actively carry out energy conservation-oriented technical renovation and promote the use of new energy-saving products, processes and materials. Use energy-saving lighting equipment such as LED lights to replace conventional lights in office buildings, substitute high-energy-consumption water pumps, and renovate lighting devices in public areas on a regular basis.
- Reduce the use of fossil energy and promote the gas to electricity transition.

Resource utilization	Unit	2024
Natural gas	cubic meter	24,962,601.52
Gasoline	liter	38,291,601.03
Diesel	liter	1,422,447.05
Liquefied petroleum gas	ton	790.82
Coal	ton	7,648.86
Total direct energy consumption	ton of standard coal	82,965.78
Direct energy consumption per capita	ton of standard coal per capita	0.18

Resource utilization	Unit	2024
Electricity	MW·h	3,084,408.409
Purchased heat	MkJ	2,329,412.90
Total indirect energy consumption	ton of standard coal	458,553.36
Indirect energy consumption per capita	ton of standard coal per capita	0.99
Comprehensive energy consumption	ton of standard coal	541,519.14
Comprehensive energy consumption per capita	ton of standard coal per capita	1.17

Note: The data is calculated at the Group level. The per capita data is calculated based on the actual payroll headcount of each institution at the time of their carbon accounting.

Usage of Water Resources

We undertook water conservation actions in depth, improved the management of water resources, and increased the use of reclaimed water. Particularly, we strictly observed the water-saving requirements of Beijing, and achieved the water conservation target assigned by the Beijing Municipal Water Conservation Office in 2024. More, we monitored the water supply system in office buildings to prevent waste of water by way of leaking, being polluted, etc., reasonably adjusted the water flow in the toilet, and recycled the waste water in boiler rooms and reused it in the reclaimed water system.

Water consumption	Unit	2024
Total water consumption	ton	31,146,613.64
Water consumption per capita	ton per capita	67.15

Note: The scope of statistics covers municipal water use at the Group level. The per capita data is calculated based on the actual payroll headcount of each institution at the time of their carbon accounting.

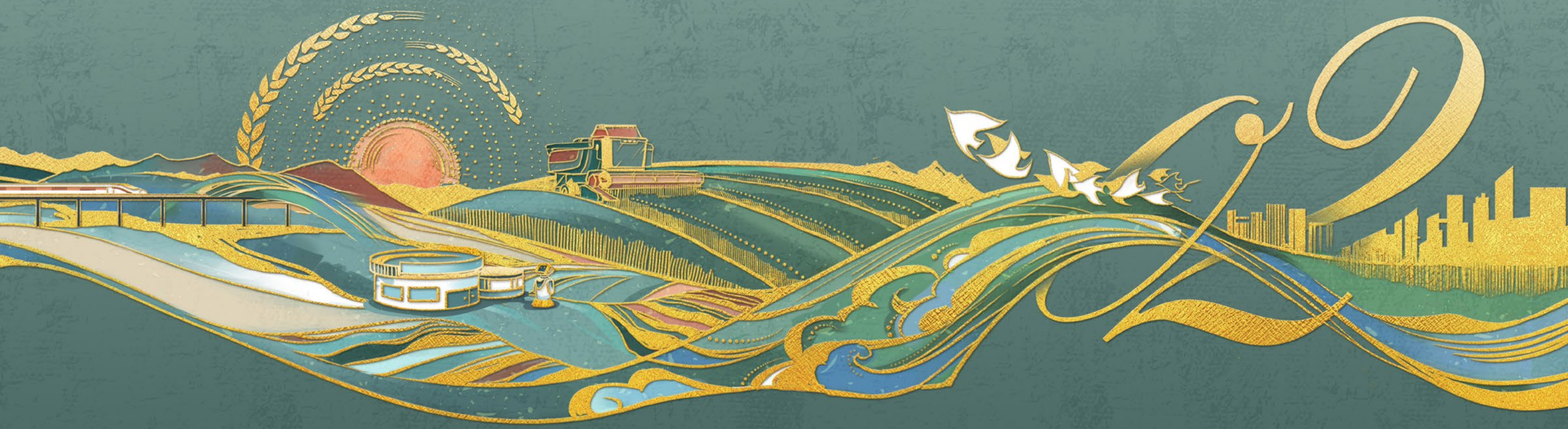
Circular Economy

We actively carried out the requirements of the National Development and Reform Commission's *Circular Economy Development Program for the* "14th Five-Year Plan" *Period*, established the concept of using resources in an economical, intensive and circular manner, and promoted the circular working modes to constantly improve the utilization rate of resources. For details, please refer to the "Environmental Issues-Climate Change Tackling" and "Environmental Issues-Waste Disposal".

SOCIAL

ISSUES

- Rural Revitalization
- Inclusive Finance
- Contributions to the Society
- Innovation-Driven
- Ethics of Science and Technology
- Supply Chain Security
- Equal Treatment to Small and Medium-sized Enterprises
- Consumer Interests Protection (Safety and Quality of Products and Services)
- Data Security and Customer Privacy Protection
- Employees



Rural Revitalization

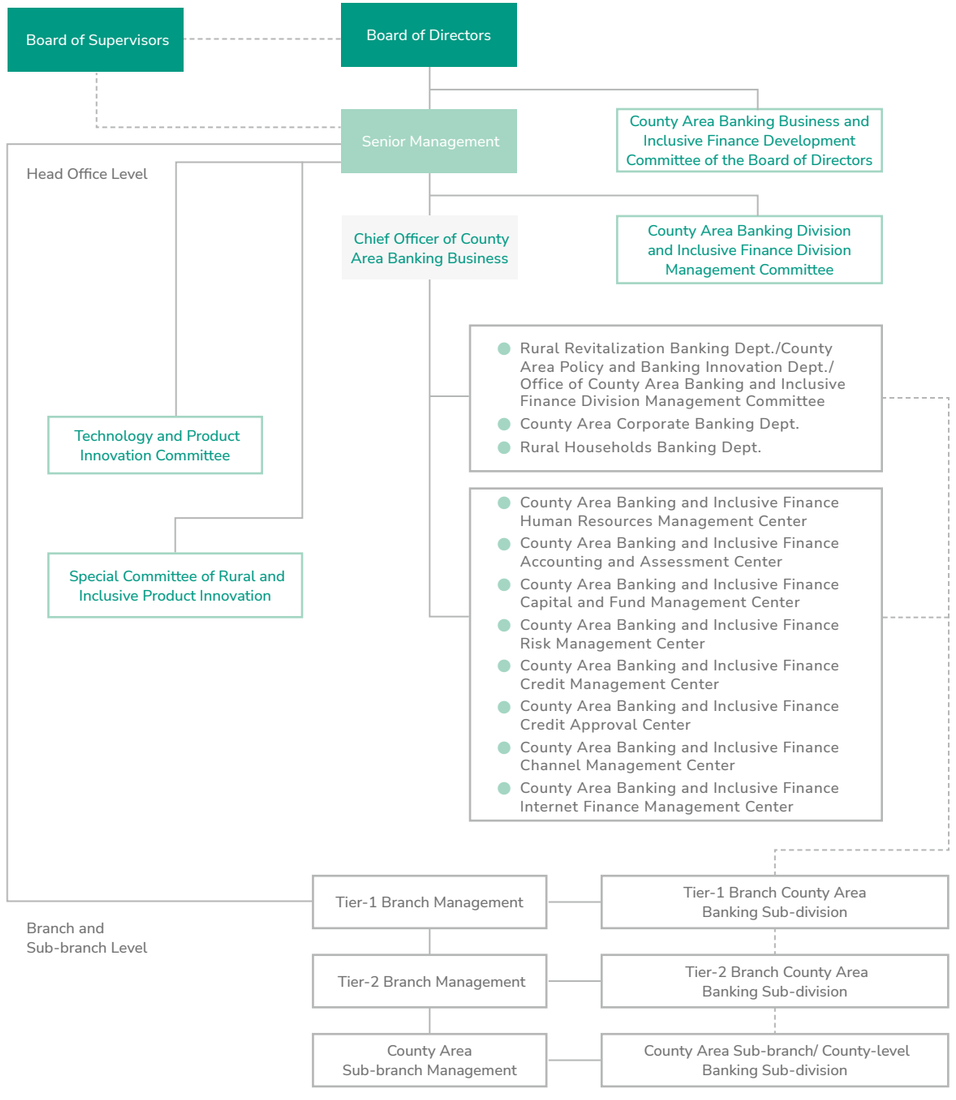
Guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank conscientiously implemented the guidelines of the Central Financial Work Conference, the Central Economic Work Conference, and the Central Rural Work Conference. We uphold the overall leadership of the CPC in financial support to agriculture, rural areas and rural residents and thoroughly implements the strategic plan made by the CPC Central Committee to advance rural revitalization in an all-round manner. Focusing on high-quality development, the Bank gives full play to its role as a leading bank in serving agriculture, rural areas and rural residents.

As of the end of 2024, the balance of loans to County Areas reached RMB9.85 trillion, accounting for over 40% of its total loan balance in the domestic market, with a growth rate of 12.3%, which was 2.2 percentage points higher than the Bank's overall average. For four consecutive years, the Bank has been rated "Excellent" in the assessment and evaluation of financial institutions' services for rural revitalization conducted by the People's Bank of China and the National Financial Regulatory Administration. It has also been rated the highest grade of "Good" in several consecutive years of evaluations for targeted poverty alleviation efforts designated by the central government. Additionally, the Bank's "ABC Mall" consumption assistance model was recognized by the National Development and Reform Commission as a typical case of national consumption assistance.

Governance

The Board of Directors of the Bank has established the County Area Banking Business and Inclusive Finance Development Committee. It is responsible for formulating the Bank's County Area Banking Business development plans and annual plans, deliberating on major policy decisions for agriculture, rural areas and rural residents, and ensuring timely implementation of the central government's requirements for serving agriculture, rural areas and rural residents at the strategic decision-making level. The Board of Supervisors oversees the implementation of strategic plans, policies, and basic management systems for agriculture, rural areas and rural residents. The senior management has set up the County Area Banking and Inclusive Finance Division Management Committee. The management committee formulates and organizes the implementation of the annual business plan for agriculture, rural areas and rural residents, deliberates on major issues, coordinates and resolves significant issues in the development of the County Area Banking Business , and ensures the implementation of the Bank's strategic decisions for rural and inclusive finance.

Management Structure Chart of County Area Banking Division of the Bank



Strategy

During the "14th Five-Year Plan" period, the Bank has positioned itself as a leading bank in serving rural revitalization, and has identified rural and inclusive finance strategy as one of its three major strategies. The Bank thoroughly implements the strategic plan made by the CPC Central Committee to advance rural revitalization in an all-round manner. Focusing on our primary responsibilities and core businesses, we provided full support to build up China's strength in agriculture and integrated urban-rural development, continuously improve the sustainable development capacity for agriculture, rural areas and rural residents, striving for leadership in market share, FinTech and service approaches, risk control, and brand image. Centering around the goals of effective service, controllable risks, and commercial sustainability, the Bank is fully committed to developing unique, advantageous, and effective County Area Banking businesses, fulfilling its role as a leading bank in serving agriculture, rural areas and rural residents.

Strengthening System Building

Enhancing overall planning for serving rural revitalization. The Bank released the *Opinions on Implementing the Guidelines of the Central Rural Work Conference and Fully Committing to Financial Services for Rural Revitalization in 2024*. Aligning with the central government's 2024 work plan for agriculture, rural areas and rural residents, which emphasized "two guarantees, three improvements, and two enhancements," we prioritized financial services in key areas of rural revitalization. Focusing on increasing the supply of credit funds and driven by innovations in financial products and service models, we aimed to provide high-quality financial services and contribute to overall rural revitalization. Additionally, we outlined the key priorities for the Bank's services in support of rural revitalization and the County Area businesses in 2024, defining the Bank's objectives and tasks in this regard.

Continuously improving the credit management mechanism for agriculture, rural areas and rural residents. We issued the 2024 rural credit policy guidelines, outlining differentiated credit policies such as credit granting and utilization, guarantee conditions, loan terms, and project capital ratios, while continuously intensifying credit support for key areas of rural revitalization. We strengthened the development of a green approval channel, incorporating credit operations such as loans for 160 key counties receiving assistance for rural revitalization, 832 counties lifted out of poverty, grain production, the modern seed industry, high-standard farmland development, and major agricultural and rural infrastructure projects into the scope of priority processing.

Optimizing the evaluation and incentive mechanism for the County Area Banking Division. We introduced an evaluation scheme for the County Area Banking Division to strengthen policy guidance and further inspire motivation for serving rural revitalization. We strengthened classified guidance and management of county-level sub-branches, with differentiated policies for credit authorization and resource allocation. We continued to prioritize the allocation of credit in the field of rural revitalization, giving priority to meeting the credit needs of County Area banking businesses, and issuing separate credit plans for county-level loans, agriculture-related loans, and loans for counties lifted out of poverty. Fixed assets, financial expenses, and incentive salaries were allocated to the frontline units that serve rural revitalization. Policies such as preferential internal fund transfer pricing and discounts on economic capital measurement were implemented for loans in key areas of rural revitalization.

Improve basic financial service capacity in rural areas

The Bank insisted on deepening online and offline collaborative operations, vigorously promoted the extension of inclusive finance to rural areas for rural revitalization, and continuously improved the "six-in-one" rural service channel system of "physical outlets + self-service equipment + Internet finance + Huinongtong service points + remote banking + mobile financial services", effectively expanding the rural basic financial service network. County Area banking business formed unique advantages.

70% of the newly built or relocated outlets were distributed to counties, urban-rural fringe areas and township areas. As of the end of 2024, the number of outlets in County Areas reached 12.7 thousand, with the proportion further increasing to 56.5%.

We established a vanguard team for rural revitalization services, launched the Hundred Teams External Expansion Competition, improved capabilities to deliver services to villages and households, and carried out mobile financial services on a regular basis, serving a total of 1,170 towns and villages and 186 thousand people.

We built Huinongtong comprehensive service points with supply and marketing cooperatives, "two committees" of villages, science and technology institutes and other partners, and launched Huinongtong WeChat applet. As of the end of 2024, the total number of Huinongtong service points reached 197 thousand, with the coverage rate over towns and villages increasing to 98%.

We enriched the functions of the rural revitalization module of mobile bank, and launched services such as loans to benefit farmers, rural fairs, and agricultural technology schools. The number of county level registered customers exceeded 0.24 billion, an increase of 10.8%; and the number of monthly active customers of Rural Edition of mobile bank reached 48.02 million, an increase of 42.9%.

Deepening Financial Support for Strengthening Agriculture in Seven Major Fields

The Bank prioritized serving rural revitalization in developing its business, focusing on "Financial Support for Strengthening Agriculture in Seven Major Fields": ensuring grain supply, poverty alleviation and assistance, agricultural technology, industrial revitalization for rural prosperity, common prosperity for farmers, rural construction, and low-carbon rural areas. We improved customer service, capital management, scenario applications, business models, product policies, and the specialized service system of "Financial Support for Rural Revitalization +".

Ensuring Grain Supply: Advancing Financial Services for Grain Security and Essential Agricultural Products

For the full chain of high-standard farmland development, management, and operation, the Bank introduced a service plan for "High-Standard Farmland Loans" and delivered services based on a "one-province, one-policy" approach. We launched the new "Grain Farmer e-Loan" to expand credit services for farmers across the entire industrial chain of grain production. Focusing on key areas such as supporting outstanding enterprises, upgrading bases, and tackling breeding challenges, the Bank intensified marketing efforts for matrix enterprises and scientific and technological innovation enterprises in the seed industry, and provided comprehensive services with a "one-region, one-policy" approach, targeting four national seed production bases and five super seed production counties. We increased customer services for the hog and dairy industries, strengthened forward-looking research and service innovation in industries such as soybeans and oilseeds, deep-sea aquaculture, and facility agriculture, and continuously provided financial services for stabilizing and ensuring the supply of essential agricultural products. The Bank **innovatively launched** the "Agricultural Machinery Loan" to support the agricultural machinery industry chain and industrial clusters, which was selected as one of the top 10 innovative models of financial support for agriculture by the Ministry of Agriculture and Rural Affairs.

As of the end of 2024, the balance of loans for sufficient supply of food and major agricultural products reached RMB1,002.4 billion, an increase of RMB157.8 billion or 18.7% from the end of the previous year.

Poverty Alleviation and Assis–tance: Supporting the Consoli–dation and Expansion of Poverty Alleviation Achievements

Based on the bottom line task of preventing large-scale relapse into or occurrence of poverty, we consistently prioritized financial services aiming at consolidating and expanding the achievements of poverty alleviation, continuously increasing credit lending, and accelerating the development of poverty-stricken areas and the income growth and prosperity of those lifted out of poverty. Separate loan schemes were developed for 832 former poverty-stricken counties. Special policies were introduced to support key counties for rural revitalization, the "Three Regions and Three Prefectures," and designated assistance counties, with great efforts made in designated assistance work for five counties/banners, namely Wuqiang and Raoyang in Hebei, Huangping in Guizhou, Xiushan in Chongqing, and Oroqen in Inner Mongolia. In collaboration with the Ministry of Agriculture and Rural Affairs, we launched the "Enriching Farmers Loan" to facilitate loan services for farmers lifted out of poverty. A pairing assistance mechanism between banks in the eastern and western parts of China was established.

As of the end of 2024, balance of loans to 832 counties lifted out of poverty reached RMB2.27 trillion, with a growth rate of 13.0%, 2.9 percentage points higher than the average loan growth rate of the Bank; the balance of loans to 160 key counties receiving assistance in pursuing rural revitalization amounted to RMB436.6 billion, with a growth rate of 14.7%, 4.6 percentage points higher than the average loan growth rate of the Bank.

¥1,002.4 billion

balance of loans for sufficient supply of food and major agricultural products

¥157.8 billion

growth amount

18.7%

growth rate

¥2.27 trillion

balance of loans to 832 counties lifted out of poverty with a growth rate of 13.0%

¥436.6 billion

balance of loans to 160 key counties receiving assistance in pursuing rural revitalization with a growth rate of 14.7%

Agricultural Technology: Vigorously Promoting Digital Rural Projects

Aligning closely with the national digital village strategy and adhering to the principle of openness and cooperation, we proactively built ecosystems for agriculture-related collaboration. We independently developed the "ABC Huinongyun" platform, creating a one-stop agricultural scenario supermarket that adopts the concept of an "application supermarket" and manages scenario functions through modular components. Targeting three key agricultural stakeholders: county and township governments, village CPC committees and villager committees (G-end), county-level corporate clients (B-end), and farmers (C-end), we established six major agricultural scenario systems and promoted the application of various scenario services including agricultural production, rural governance, and farmers' livelihoods. Over 10 mature external scenarios were introduced, such as "Telescope" satellite remote sensing, "Greenhouse Guard" smart farming, county-level integrated medical consortiums, and smart fisheries, providing robust support for agricultural condition monitoring, the construction of county-level integrated medical consortiums, and the development of marine ranching demonstration areas.

As of the end of 2024, the "ABC Huinongyun" platform covered 2,657 counties (districts), with 264 thousand registered institutions and serving over 6.50 million users. The platform was honored with the Pioneer Award at the 2nd Global Digital Trade Expo and the "Outstanding Contribution Award for FinTech Empowering Business Innovation" by the *Financial Electronization Magazine* in 2023, among other accolades.

Common Prosperity for Farmers: Financial Services for Farmers and "New Citizens"

We coordinated efforts to promote rural revitalization and common prosperity among farmers by formulating a dual-promotion work plan for farmer loans and credit village construction. We launched new specialized loan service schemes for farmers, such as Photovoltaic Loan, Rural Tourism Loan, Order-based Loan, and Grain Farmer e-Loan, and vigorously promoted the "Huinong e-loan" product. We formulated financial service measures for new citizens, promoting the "Salary Treasure" fund supervision and payroll disbursement platform for migrant workers, as well as a series of products for new citizens including "Housing Loan," "Employment Loan," and "Consumption Loan." In collaboration with the village CPC committee and the villager committee, we jointly created a "Party Building + Finance + Technology" credit village and credit user model, assessing 85 thousand credit villages and 5.68 million credit users. We implemented the "Financial Talent Assignment Program for County-Level Assistance in Towns and Villages to Improve People's Income." In 2024, more than 800 newly assigned individuals were dispatched to local governments and administrative villages to support rural revitalization efforts. As of the end of 2024, over 3,000 assistance cadres were dispatched, including more than 300 specifically assigned to key counties prioritized for national rural revitalization, averaging 2.2 cadres per key county. The Bank continued to implement the "Double Hundred" Cadre-Talent Pairing Assistance Program for East-West Collaboration, supporting the regional coordinated development strategy by including revolutionary base areas and Northeast China into the pairing assistance program. The program precisely matches the financial needs of the assisted counties, ensuring that the "last mile" of financial services is covered.

As of the end of 2024, the balance of "Huinong e-loan" was RMB1.4940 trillion, an increase of RMB408.7 billion or 37.7% compared to the end of the previous year, serving over 17 million farmer households cumulatively.

Industrial Revitalization for Rural Prosperity: Supporting Rural Industries to Boost Farmers' Income

We advanced agricultural supply chain finance by offering differentiated policies in customer access, collateral means, and product innovation. We promoted innovations in rural collateral means for biological assets and farming facilities. We formulated collateral management measures for the use rights of collectively-operated construction land, sea areas, forest rights, and fishing vessels. Targeting major projects such as rural cultural tourism and modern rural circulation systems, we provided supporting financing services. To address financing bottlenecks for leading agricultural industrialization enterprises, we coordinated efforts to introduce differentiated support policies, focusing on increasing the coverage of credit services for these enterprises. As of the end of 2024, the balance of loans for rural industries was RMB2.23 trillion, an increase of RMB386.5 billion or 21.0% compared to the end of the previous year.

Rural Construction: Strengthening Financial Support for New Urbanization and Integrated Urban–Rural Development

We proactively implemented the national rural development initiative, enhancing financial support for agricultural and rural infrastructure by introducing products such as the "Cold Chain Farmer Assistance Loan." We launched the "Four Good Rural Roads" service scheme to align with China's new round of rural road improvement initiatives. In response to the bidirectional population flow between urban and rural areas, we promoted loans for county-level educational institutions, working capital loans for county-level hospitals, and loans for elderly care institutions, among others, to facilitate the integration of urban and rural public services. We refined the government-bank cooperation model to support state-owned enterprises (SOEs) and private enterprises in making investment in rural areas. Besides, we collaborated with the State-owned Assets Supervision and Administration Commission (SASAC) to advance the "SOE Village Revitalization Loan" and with the All-China Federation of Industry and Commerce to promote the "Joint Enterprise Village Revitalization Loan" model. As of the end of 2024, the balance of loans for rural construction was RMB2.25 trillion, an increase of RMB290.4 billion or 14.8% compared to the end of the previous year.

Low–carbon Rural Areas: Enhancing Financial Support for Low–carbon Rural Areas to Promote Rural Ecological Revitalization

We focus on the comprehensive green transition of agricultural development, promoting efficient and intensive resource utilization and low-carbon circular industrial models to drive rural ecological revitalization. Centering around integrated protection and systematic comprehensive governance of mountains, rivers, forests, farmland, lakes, grasslands, and deserts, we conducted financial service research on the "Yellow River Bend" area and formulated corresponding financial service schemes. In collaboration with the Ministry of Agriculture and Rural Affairs, we explored ways to serve national pilot zones for green agricultural development and to build up "three brands and one certification" in agriculture. Jointly with the Ministry of Ecology and Environment, we studied and established a low-carbon transition evaluation index system tailored to livestock and poultry farming enterprises, covering carbon emissions, waste resource utilization, and breeding efficiency. We developed new products such as the "National Reserve Forest Loan," "Carbon Sink Forestry Loan," and "Ecological Protection Loan," providing medium- and long-term credit support with preferential interest rates.

2,657
number of counties (districts) covered by "ABC Huinongyun" platform

6.5 million+
number of users

¥1,494.0 billion
balance of "Huinong e-loan"

¥408.7 billion
growth amount from previous year-end

¥2.23 trillion
balance of loans for rural industries

¥386.5 billion
growth amount from previous year-end

¥2.25 trillion
balance of loans for rural construction

¥290.4 billion
growth amount from previous year-end

Risk Management

The Bank continuously strengthened risk control in key areas of the County Area banking business, cementing the foundation of risk compliance for the County Area banking businesses. Focusing on key regions, industries, and customers, we consistently conducted risk monitoring and prevention in priority rural areas. Leveraging digital means, we deepened centralized verification of risk clues and centralized post-loan inspections, continuously reinforcing the foundation of credit risk management in counties. As of the end of 2024, non-performing loan ratio of the County Area banking business was 1.21 %, a decrease of 3 BPs compared to the end of the previous year, which indicates stable asset quality.

1.21%
non-performing loan ratio of the County Area banking business

3 BPs
decrease in non-performing loan ratio of the County Area banking business

Indicators and Targets

During the "14th Five-Year Plan" period, the Bank aims to achieve the following three primary objectives:

Significantly enhancing the breadth and depth of services in supporting rural revitalization. We aim to significantly increase the number of new agricultural business entities served by the Bank, fostering and supporting a number of entities in the chain of unique and advantageous industries in rural areas. The Bank's ability to provide digital financial services related to agriculture in counties will continue to improve, and a new model of FinTech empowering rural revitalization will take initial shape.

Achieving high-quality and leapfrog development in county-level business. Loans for key areas such as food security, rural industries, and rural construction will grow significantly, with the growth rate of loans to County Areas continuously exceeding the Bank's average loan growth rate. The business structure in counties will continue to optimize, and asset quality will remain stable compared to the Bank's overall performance. All regulatory indicators will continue to meet required standards, and the operational efficiency of county-level business will further improve.

Consolidating and enhancing the Bank's leading position in the county market. The customer base in counties will be further strengthened, with improved customer structure and enhanced customer satisfaction. The Bank's brand image and social influence will continue to improve, highlighting its demonstrative and leading role in the new pattern of financial development with Chinese characteristics.

Case 2
Inner Mongolia Branch's "Financial Village Director" Service Model Contributes to Rural Revitalization in the Autonomous Region

To better address financial information inconsistency in rural areas, improve the rural credit environment, and promote income growth and prosperity among rural residents as well as the rapid development of rural specialty industries, the Inner Mongolia Branch of the Bank developed a brand-new "Financial Village Director" service model in partnership with the local CPC committee and government. Notably, the case titled "Financial Village Director Boosts Rural Specialty Industry Development and Farmers' Income Growth in Oroqen Autonomous Banner" was recognized as an exemplary case during the Fifth Global Solicitation on Best Poverty Reduction Practices Campaign organized by the Food and Agriculture Organization of the United Nations (FAO) in 2024. As of the end of 2024, the "Financial Village Director" service model covered 2,194 administrative villages in 81 banners and counties across the region, with 1,483 CPC party branches jointly established with various townships and villages. Through recommendations by village committees, loans totaling RMB2.7 billion were successfully granted to 11.5 thousand households.

Background

The Inner Mongolia Autonomous Region, spanning an area of 1.18 million square kilometers, serves as a crucial base for the production and processing of green agricultural and livestock products as well as grain supply in China. The region is faced with multiple challenges in economic and social development: expansive territory complicates rural grassroots governance, distinct agricultural/pastoral characteristics coexist with weak development foundations, while robust rural credit demand contrasts with high operational costs from dispersed financial service delivery. There is an urgent need to further enhance the efficiency of grassroots governance, strengthen service capabilities in inclusive finance, and achieve income growth and prosperity for farmers as well as high-quality and efficient development of rural specialty industries.

In June 2023, the Inner Mongolia Branch formulated and issued the *Notice on Comprehensively Promoting the 'Financial Village Director' Service Model in Agricultural Banks Across the Region*, officially launching the "Financial Village Director" financial service model. After the central government initiated targeted assistance for Oroqen Autonomous Banner, the Inner Mongolia Branch, as the leading cooperative bank, participated in the launch ceremony of the "One Village, One Financial Village Director Initiative." It worked with the CPC committee and government of the banner to define the job responsibilities of "Financial Village Director," introduced a special performance evaluation scheme, and donated funds to set up an incentive fund. By leveraging the Bank's "eTuike" scenario, Jinshui Huinongtong, and mobile banking channels, the "Financial Village Directors" provided comprehensive financial services, transforming support for their work into a new model and new initiative for targeted assistance with an innovative approach.

Project Implementation

Engaging in Government-Bank Collaboration on Joint Party Building for Coordinated Development. Local sub-branches organized "Joint Party Building" activities with the organization departments of various banners and counties, finance authorities, township CPC committees and governments, and the "two committees" in villages. These activities aimed to facilitate synergies, coordinated development, and common progress between grassroots CPC organizations and financial institutions. Party building was integrated with industrial development, rural civilization, grassroots governance, and collective economic development, to promote the construction of harmonious and beautiful villages. A "1+N pairing" communication mechanism for "Financial Village Director" was established, with one customer manager assigned to provide targeted guidance to N administrative villages' financial village directors. This effort fully leveraged the role of intelligent financing and funding support in targeted assistance, effectively addressing the "difficulty in obtaining loans, guarantees, and financing" faced by farmers and new business entities in their development.

Promoting Integration and Revitalization of Organizations, Talents, and Industries. We explored the targeted assistance model of "Financial Village Director," combining the political and organizational advantages of rural grassroots CPC organizations with the professional and resource advantages of financial institutions to promote the coordinated development of grassroots CPC organizations, cadres, and rural specialty industries. The Bank assisted the banner's CPC committee and government in selecting and appointing 115 financial village directors from the "one village (community), one college student" program, members of the "two committees" in villages (communities), and reserve cadres across 82 administrative villages and 33 communities in the banner, ensuring that every village is covered by a competent financial village director and is cultivating a team of "Financial Village Directors" who understand, love, and serve agriculture, rural areas, and farmers.

Leveraging FinTech to Enhance the Quality and Efficiency of Rural Financial Service. We fully leveraged the "eTuike" scenario on the Agricultural Bank of China's "Huinongyun Digital Rural Platform," giving play to the roles of "Financial Village Directors" as credit recommenders, government credit enhancers, and risk identifiers within the "eTuike" scenario. Grassroots cadres, who are close to and understand the people, stand ready to recommend farmers with loan needs to online technology scenarios of financial institutions anytime and anywhere, further expanding the channels for farmers to obtain loans. Farmers can independently apply for, use, and repay loans through mobile banking, and enjoy modern online financial services from their homes via Agricultural Bank of China's "Huinongtong" electronic devices.

Strengthening Positive Incentives to Create a Favorable Rural Financial Ecosystem. The primary responsibilities of "Financial Village Director" is to recommend farmers with loan needs, operational capabilities, and good integrity to banks, and to convey risk signals of loan customers to banks in a timely manner. By establishing the "Financial Village Director" model and setting up an incentive fund for joint management of the financial environment between banks and villages, the branch aimed to enhance the cohesion and appeal of rural grassroots CPC organizations, achieving two-way empowerment between rural grassroots party building and rural finance.

Achievements

Strengthened Rural Grassroots Organizations and Empowered Village Cadres. Relying on the functions of financial institutions, "Financial Village Directors" assisted villagers in applying for loans, securing preferential policies, and addressing the funding issue for industrial development. This effort garnered widespread recognition from villagers, who became more willing to support grassroots CPC organizations, further enhancing their appeal and leadership.

Alleviated Financing Difficulties and Costs, Stimulating Rural Development Vitality. Through professional training and guidance, "Financial Village Directors" gained a comprehensive and intuitive understanding of the Bank's credit products. They introduced suitable loans to villagers and brought financial services directly to their doorsteps, actually reaching the last mile with financial services.

Gradually Improved Rural Credit Environment and Enhanced Financial Services in Quality and Efficiency. By conducting integrity education and publicity activities, "Financial Village Directors" significantly enhanced farmers' awareness of integrity. Meanwhile, they provided important data support for government-bank cooperation in establishing "Credit Townships," "Credit Villages," and "Credit Accounts."

Inner Mongolia Branch is conducting trainings for Financial Village Directors

Experiences and Insights

Engaging in Government-Bank Collaboration for Mutual Benefit and Win-Win Cooperation. The "Financial Village Director" service model significantly expanded the third-party channels for financial institutions to acquire premium customers, reducing the implicit costs, such as time and management expenses, for financial institutions to conduct marketing activities in villages.

Strengthening Grassroots Governance to Promote Two-Way Empowerment Between Village-Level Organizations and Rural Residents. Through the appointment of "Financial Village Directors" and standard management by local CPC committees and governments, coupled with professional training provided by local financial institutions, grassroots organizations can enhance their competence and capabilities.

Taking a Systematic Approach to Promote Rural Revitalization with New Quality Productive Forces. The "Financial Village Director" service model extended financial services widely to rural areas, improving the efficiency of allocating rural production factors. By leveraging new quality productive forces, it provided impetus for the development of rural agricultural modernization.

Real-Life Stories

Qiqiling Village in Alihe Town is a major production area for edible mushrooms in the Oroqen Autonomous Banner. It is also renowned as a specialist village for nameko mushrooms, earning it the reputation of "Hometown of Edible Mushrooms." One villager, who had been cultivating nameko mushrooms for years and had extensive experience, intended to expand his operation. However, due to the lack of collateral, he faced high interest rates and low credit limits when seeking loans from other banks. Upon learning about the villager's situation, the "Financial Village Director" of Qiqiling Village recommended to him the Agricultural Bank of China's "HuiNong e-Loan," a credit loan that requires no collateral and offers a preferential interest rate as low as 3.45%. The villager submitted his application via the mobile app "eTuike" and successfully obtained a loan of RMB0.3 million to construct a new 5,800-square-meter steel-framed greenhouse, generating more income.

Rongsheng Commerce and Trade Co., Ltd., located in Dayangshu Town, Oroqen Autonomous Banner, specializes in the production and processing of perilla seed oil, generating considerable sales revenue and even exporting its products abroad. An customer manager from the Bank partnered with the "Financial Village Director" of the community to recommend the Bank's loan products to the company. After successfully obtaining an initial credit of RMB 0.5 million, the company was later granted an expanded loan of RMB5 million, effectively addressing the financing difficulties for rural industrial development and shortages of collective funds. Furthermore, Rongsheng's products were introduced to the Bank's Xingnong Mall. While receiving credit support, the company also expanded its sales channels, generating annual sales revenue exceeding RMB 0.5 billion.

Staff of the local branch office in Oroqen Autonomous Banner and the "Financial Village Director" jointly conduct pre-loan surveys for farmers.

Inclusive Finance

Governance

The Bank has established the County Area Banking Business and Inclusive Finance Development Committee within its Board of Directors, responsible for formulating strategic plans and basic management systems for inclusive finance, as well as reviewing annual business plans and evaluation measures. At the executive level, there is the County Area Banking and Inclusive Finance Division Management Committee, which is responsible for coordinating and implementing the strategic decisions and overall plans made by the Board of Directors regarding the development of inclusive finance. In 2024, the County Area Banking Business and Inclusive Finance Development Committee held one meeting, and considered proposals related to inclusive finance; the County Area Banking and Inclusive Finance Division Management Committee held two meetings to consider proposals such as the 2025 Rural and Inclusive Business Plan and special evaluation plan.

Strategy

The Bank regards Rural and Inclusive Finance as one of the three major strategies, and promotes the strategy in an integrated manner. In 2024, we thoroughly implemented the spirit of the Central Financial Work Conference, fully carried out the *Implementation Opinions of the State Council on Promoting the High-Quality Development of Inclusive Finance*, formulated the *Implementation Plan for Implementing the Spirit of the Central Financial Work Conference and Promoting the High-Quality Development of Inclusive Finance*, proposed the development direction, goals and strategies of inclusive finance, laying a solid foundation for the high-quality development of inclusive finance in the coming period.

Policy Support

Considering the financing characteristics of inclusive finance customer groups, which are "small size, short term, high frequency, and urgent requirement" the Bank identified a digital, online and streamlined development approach. We formulated differentiated credit policies and systems in such areas as credit granting, rating, authorization, and processes to drive the rapid development of inclusive finance.

The Bank formulated the *Management Measures for Credit Business of Micro and Small Enterprises (MSEs)* and the *Management Measures for Credit Granting Business of Micro and Small Enterprises (MSEs)*, which outline the basic principles, processes, and methods for credit and credit granting targeting MSEs. Additionally, the Bank established credit product systems tailored for MSEs, covering credit-based, collateral-based (including pledge and mortgage), and supply chain financing. The annual *Inclusive Finance Credit Policy Guidelines* was issued, which exempts MSEs with individual credit lines of RMB10 million or below from classification and industry quota control, except for those operating in industries with explicit credit control requirements by the state such as overcapacity industries and industries with high energy consumption and high pollution. Furthermore, branches in Zhejiang, Jiangsu, and Guangdong Provinces with abundant MSEs and high levels of credit management were designated as innovation bases for inclusive finance products.

Initiatives

Establishing a Robust Coordination and Working Mechanism to Support Financing for MSEs:

In compliance with national requirements, we set up dedicated task forces to conduct extensive outreach through the "Visits to Thousands of MSEs" campaigns in industrial parks, communities, and rural areas. These campaigns involved educating MSEs about national and the Bank's policies supporting them, conducting comprehensive assessments of their financing needs, introducing inclusive finance products and services, and ensuring credit funds reach the grassroots level swiftly, conveniently, and at reasonable interest rates, thereby effectively addressing the financing difficulties of MSEs. As of the end of 2024, the Bank visited 1.41 million MSEs, granted credit lines totaling RMB1,123.5 billion to 0.87 million MSEs and loans amounting to RMB704.1 billion to 855 thousand MSEs since the launch of this mechanism.

¥1,123.5 billion

credit granted to 0.87 million MSEs

¥704.1 billion

loans to 855 thousand MSEs

Building a Highly Adaptable Online and Offline Integrated Service System:

We upgraded and launched the Inclusive E-Station 3.0, focusing on high-frequency application scenarios for MSEs to create a "Finance + Non-Finance" ecosystem beneficial to enterprises and build a one-stop online service platform for MSEs. Additionally, we improved our inclusive finance service network and enhanced the credit service capabilities of our branches, with 21,942 outlets offering inclusive credit services as of the end of 2024.

21,942

number of outlets offering inclusive credit services

Launching a New Credit Product Portfolio Tailored to Diverse Financial Needs:

We launched the "Micro Quick Loan 3.0" and the "Merchant E-Loan" to optimize the loan application process and address the issue of slow financing for market entities. We also upgraded the "Quick Renewal for e-Loan" to alleviate the refinancing pressure on MSEs and lower their financing costs. Furthermore, we developed the "Quick Loan for Science and Technology," the "Loan for Specialized, Novel, High-quality, and Unique Little Giant Enterprises," and the "Loan for Science and Technology Enterprises in Agricultural Parks" to better serve technology-based MSEs. We launched the new "Provincial + Municipal Guarantee" model for bulk government guarantees and promoted the online availability of "Government Guaranteed e-Loan." Additionally, we advanced the establishment of credit villages and credit customers, promoted special products such as the "Online Loan Benefiting Farmers" and the "Loan for Improving People's Income," and expanded our service coverage to agriculture-related MSEs and farmers.

Improving the Long–term Mechanism in Inclusive Finance that Makes Customers "Dare to Lend, Be willing to Lend, Be able to Lend, and Know How to Lend":

We continued to prioritize inclusive finance in credit granting management, performance evaluation, and resource allocation, maintaining the continuity and stability of differentiated support policies for inclusive finance. We refined the due diligence exemption policy for inclusive credit to specify exemption scenarios and enhance operability, thereby boosting the enthusiasm and initiative of inclusive finance practitioners.

Access to Finance

Offline Distribution Channels

Expanding service channels for rural and inclusive finance. As of the end of 2024, we had 22.6 thousand outlets in China, including 12.7 thousand outlets in County Areas, achieving full coverage over County Areas and becoming the only financial institution with outlets in all county-level administrative regions. The total number of Huinongtong service points reached 197 thousand, with a township coverage rate of 98%. All the townships in the 160 key counties receiving assistance in pursuing rural revitalization were covered by service points.

Enhancing the deployment of hardware facilities. Continued efforts were made to advance the deployment of hardware facilities for financial services, including intelligent facilities such as self-service banks, ATMs, and self-service inquiry machines. These facilities provide basic financial services such as cash remittances, transfer remittances, current-to-fixed deposits, and balance inquiries, effectively extending the reach of financial services to make them more convenient and efficient. As of the end of 2024, 3.9 thousand off-premise self-service banks, 53.6 thousand existing super tellers, 52.8 thousand cash self-service devices, and 2.6 thousand self-service terminals had been installed.

Strengthening accessible and aging-friendly renovation. Facilities and devices at outlets were optimized for the elderly, setting up accessible lanes, dedicated service windows and seats, and providing reading glasses, magnifying glasses, wheelchairs, etc. As of the end of 2024, all the outlets had set up dedicated service windows for the elderly, including 19 thousand outlets with wheelchair ramps and 300 aging-friendly demonstration outlets. To meet the needs of elderly people in rural areas, a large-font version of the Huinongtong APP was developed for POS terminals, and cloud speakers were configured at service points to serve as "Voice Assistants".

22.6 thousand
number of outlets in China

12.7 thousand
number of outlets in County Areas

Full coverage
over County Areas

197 thousand
number of Huinongtong service points

98%
township coverage rate

Full coverage
over 160 key counties receiving assistance in pursuing rural revitalization

Online Distribution Channels

Adhering to the development concept of "customer first, innovation-driven", we built an online service system including mobile banking as the mainstay, and online banking and WeChat banking. We took "finance + scenario" as the main service mode, taking into account the differentiated financial and non-financial needs of customers, and continuously extended our service tentacles to areas with low financial service penetration rate and underserved population, so as to provide convenient, efficient and all-round services for more customers.

Mobile Banking: Driven by customer needs, we launched multiple versions of mobile banking, including a rural version, a large-font version, and versions in ethnic minority languages. We commenced several exclusive services related to elderly care communities, salary, private banking, and urban services, with comprehensive support for iOS, Android, and HarmonyOS applications, providing customers with professional, diverse, and intelligent one-stop online services. By the end of 2024, the number of registered retail mobile banking users reached 561 million, with over 250 million monthly active users. The number of registered corporate mobile banking users reached 8.74 million. Among them, the number of registered retail mobile banking users in County Areas amounted to 252 million, with 115 million monthly active users.

Online Banking: We provided customers with over 60 types of online banking services covering 10 major categories of products such as accounts, private banking, loans, and investments, realizing whole-process customization for special financial services such as those for new residents, inclusive finance, and County Areas banking business. We proactively leveraged the smart banking technology to create an efficient and intelligent online financial platform. As of the end of 2024, the number of registered individual online banking users reached 532 million, with 13.67 million corporate users on the online financial service platform.

WeChat Banking: The official service account "Agricultural Bank of China Micro-banking" offers functions such as free account transaction reminders, debit card customization, account inquiries, loan applications, and utility bill payments for individual customers. The "ABC Micro-services" WeChat mini-program provides auxiliary services for outlets, including real-time number taking, outlet appointments, pre-filling of super teller forms, and outlet operation status inquiries. The Huinongtong WeChat mini-program expanded the marketing and promotion functions for Huinongtong service points. As of the end of 2024, the proportion of service points that launched Huinongtong WeChat mini-program reached 100%, an increase of 50 percentage points from the previous year.

561 million
number of registered retail mobile banking users

8.74 million
number of registered corporate mobile banking users

532 million
number of registered individual online banking users

13.67 million
number of corporate users on the online financial service platform

100%
proportion of service points that launched Huinongtong WeChat mini-program

Open Banking: Engaging with real estate trading platform and UnionPay platform, we provided loan financing services such as online loan and housing loan. Engaging with life service platform and government affairs platform, we provided convenient services such as medical insurance settlement, parking charging, and pension account opening. We also partnered with leading Internet platforms to provide account services such as payment and settlement, and statement analysis for micro and small merchants.

Remote Distribution Channels

Through omnichannel customer services encompassing voice, text, video, new media, and more, we accumulated a total of 344 million person-times of customer interactions, 71.07 million person-times of inbound voice calls handled by human agents.

Enhancing remote services for special customer groups. We offered exclusive services for senior customers featuring an improved mode of "direct access to human agents with no need to press keys" in voice customer service, achieving a 99.91% satisfaction rate for these exclusive services. We piloted a service model for special customer groups that combines "one on-site visit + one remote video session" and offered sign language video services for hearing-impaired customers. Through our voice and video customer services, we provided interpretation support in English, Russian, Japanese, Korean, German, and Spanish across all outlets, ensuring timely and targeted responses to multilingual customer needs.

Extending remote customer services to county and rural areas. In 2024, we provided human agent services to 1.85 million person-times of customers in key and designated counties receiving national rural revitalization assistance. Through such channels as the rural version of our mobile banking app, mobile marketing pads, and smart shelves, we offered video services in major Tibetan and Yi dialects. We also promoted an "on-site + remote" meeting model for farmer loans.

Strengthening smart and self-service capabilities. Leveraging new technologies such as large models, we enhanced the service capabilities of our customer service robots to improve customer experience. Focusing on high-frequency customer service needs, we stepped up the iteration and upgrade of our service strategies. We enriched the service offerings available on the "ABC Cloud Customer Service" WeChat official account, upgraded self-service functions, and released short videos and long image-text content tailored to customer needs, thus strengthening the communication of financial knowledge and service policies.

344 million person-times
total of customer interactions through all channels

Risk Management

The Bank established its risk prevention and control system based on the characteristics of inclusive credit business, integrating online and offline risk management. We enhanced comprehensive and full-process risk management, enriched the toolkit for inclusive loan risk management, and optimized policies and measures related to customer access, post-loan early warning, overdue loan collection, and non-performing loan disposal. As of the end of 2024, the asset quality of the Bank's inclusive loans to MSEs remained compliant with regulatory requirements.

The Bank continued to improve the "Cloud Scoring" system for MSEs. The system assigns credit scores to MSEs by leveraging big data from business registration, taxation, credit reporting, mortgage loans, and business operations of enterprises and their owners. It addresses the challenges of obtaining accurate financial data from MSEs, effectively prevents and mitigates risks in inclusive finance, and ensures the stable operation of inclusive finance.

Indicators and Targets

The Bank fully implemented the *Notice on Improving Inclusive Credit Services in 2024* issued by the National Financial Regulatory Administration, focusing on the operational funding needs of MSEs. We set a rational pace for credit lending, aiming to achieve a growth rate of inclusive loans to MSEs no lower than the bank's overall loan growth rate. As of the end of 2024, the Bank's inclusive loans to MSEs achieved a growth rate of 31.3%, 21.2 percentage points higher than the loan growth rate across the Bank, remaining compliant with regulatory requirements for the 16th consecutive year. As of the end of 2024, the balance of loans to inclusive finance according to the PBOC caliber was RMB 4.66 trillion. The inclusive loan balance for MSEs is RMB 3.23 trillion, providing credit support to 4,581.8 thousand MSEs.

31.3%
growth rate of inclusive loans to MSEs
meeting regulatory requirements for the 16th consecutive year

21.2 percentage points
higher than the loan growth rate across the Bank

¥4.66 trillion
balance of loans to inclusive finance according to the PBOC caliber

¥3.23 trillion
inclusive loan balance for MSEs

4,581.8 thousand
number of MSEs supported by inclusive finance

Contributions to the Society

Following the concept of "shouldering responsibility and serving the people, taking responsibility first and benefiting the society", we vigorously promote the building of the brand "ABC Charity" to guide and encourage its employees to actively participate in philanthropy and contribute to the harmonious development of the society.

Public Welfare Practices in 2024

¥116.89 million
Donations to external parties (domestic)

3,751
number of youth volunteer teams

63 thousand+
number of youth volunteers

12 thousand
number of public welfare activities

132 thousand
accumulated service hours for public welfare activities

Policy Development

We established a sound management system for public welfare activities to standardize the use and promotion of public welfare brands across the Bank. More specifically, we formulated the *Measures of Agricultural Bank of China for the Management of Donations* to regulate donation activities, as well as the *Implementation Plan of Agricultural Bank of China for the Building of Public Welfare Brands* and the *"ABC Public Welfare" Brand User Manual*. Meanwhile, we established a public welfare project reporting and evaluation system to guide the systematic and standardized development of public welfare activities across the Bank, and help promote the value of our brands. In addition, we made the *Plan of Agricultural Bank of China for the Selection and Citation of Advanced Teams and Individuals in Public Welfare Activities* to encourage our employees to uphold the core socialist values and cultivate the financial culture with Chinese characteristics, further enhancing their sense of social responsibility.

Public Welfare Actions

Focusing on such priority areas as rural revitalization, green ecology, and vulnerable group protection, we vigorously conducted a wide range of branded public welfare actions, including the four initiatives of "Revitalization", "Protection", "Caring", and "Fulfilling Dreams", in which volunteer service teams, Party member vanguards and youth task forces played a pivotal role. The purpose was to gather the positive energy of financial services so as to give the society the warmth of Agricultural Bank of China.

Always with You

——"ABC Charity" Brand Building

Building the image of a State-owned Bank with More Warmth, Love and Responsibility

- **Carrying out the Revitalization action to help the rural areas achieve common prosperity**

Focusing on such areas as cultural inheritance, education and medical care improvement, infrastructure donation, and living environment improvement, we systematically planned and deployed targeted public welfare resources in the rural areas. Relying on the administrative structure of the County Area Banking Division, we carried out in-depth investigation into the rural needs, coordinated policies and resources, and strengthened internal and external cooperation to ensure that every effort works toward the key links of rural development. In the meantime, we joined hands with government departments, social organizations, and corporate partners to pool strength from multiple sources and inject ABC's strength into industrial upgrading, education, and cultural development in the rural areas and in the end, fully promoting rural revitalization.

- **Carrying out the Protection action to practice green development concepts**

Focusing on energy conservation, carbon reduction, and environmental protection, we created a green public welfare ecosystem to integrate the concept of green development into the whole process of our business operation. At the same time, we innovated in green financial product and service models to secure funding for the development of environmental protection industries. Moreover, we mobilized our employees and the general public to participate in volunteer activities such as sorting garbage, landscaping cities, saving water and electricity, using green means of mobility, so as to spread the green philosophy with practical actions, lead social ethos, and protect the environment.

- **Carrying out the Caring action to pass on warmth and strength**

With the primary purpose of serving special population groups, we advocated and supported institutions at all levels to implement public welfare projects and volunteer activities such as caring for the sick and the disabled, respecting and helping the elderly, and delivering public education, thus fulfilling the duty of the financial sector with love and responsibility. In combination with the public welfare service brand "ABC Considerate Warm Space", we carried out a spectrum of public welfare actions for outdoor workers, such as offering them heatstroke prevention goods or daily necessities. Moreover, we established emergency response mechanisms for natural disasters, such as rainstorm and earthquake, and integrated financial resources with volunteer services, to navigate disasters hand in hand with all walks of life.

- **Carrying out the Fulfilling Dream action to build a bright future together**

We deeply explored the convergence points between financial services and the needs of youths, built a platform for providing diversified public welfare services, and gathered social forces to pave the way for the growth of teenagers. Through conducting a stream of public welfare activities such as educational support, donation, health care, and companionship we injected hope and vitality into the sustainable development of the society at large.

Key Public Welfare Activities of the Agricultural Bank of China in 2024

Public Welfare Actions	Project Titles	Partnership Organizations	Accumulated Amount of Donation	Start Year	Current State
Revitalization	ABC Ningbo Branch Charity Foundation	Ningbo Charity Federation	accumulated amount of funds raised as at 2024 year-end ¥1 million+	From 2024 to present	The support for public welfare practice was enhanced through the cooperation between the eastern and western China. By the end of 2024, a total of seven charitable projects were funded, and two of them were put in place, i.e., the education support project delivered at Jinxing Village in Liangshan Prefecture, Sichuan Province through the cooperation between the eastern and western regions of China and the winter project of assisting Ningbo students from the prefecture.
Protection	"Cherishing the Gift of Nature and Protecting the Life in Wetlands" by Tianjin Dagang Sub-branch	-	-	From 2017 to present	A"Love Bird" charity foundation were created, "Wetland Volunteers' Love Houses" were erected, and over 30 bird-related public welfare activities were initiated. Moreover, employees of the sub-branch used their spare time to teach children protecting the environment and taking care of birds in primary and secondary schools. In April 2024, the Management Committee of Beidagang Wetland Nature Reserve in Tianjin was partnered to conduct a Love Bird Week communication campaign.
Caring	"My Voice, Your Eyes" volunteer service for the blind	Beijing Hongdandan Cultural Service Center for the Visually Impaired	-	From 2013 to present	By the end of 2024, a total of 116 films were narrated; more than 2.4 million characters of script were written; and upward of 11,000 hours of volunteer service provided, directly benefiting more than 11,200 person-times of blind people. Won the "Story of News Figures for Helping the Disabled" by China Disabled Persons' Federation.
	"Health Express for Mothers" public welfare project	China Women's Development Foundation	accumulated amount of donation as at 2024 year-end ¥20.60 million	From 2013 to present	By the end of 2024, a total of 130 "Health Vehicles for Mothers" were purchased to provide services such as health promotion, gynecological disease survey, medical aid, maternal health care, etc. in 14 provinces (autonomous regions or municipalities), including Hebei and Inner Mongolia. The person-times of beneficiaries exceeded 1.3 million.
	"ABC Considerate Warm Space" public welfare activities by business outlets	All-China Federation of Trade Unions	-	From 2022 to present	22 thousand "ABC Considerate Warm Space" trade union service stations were established throughout the Bank. Of them, 105 were cited as "ABC Considerate Warm Space Trade Union Service Station" by the All-China Federation of Trade Unions in 2024. In 2024, a total of 8,600 public welfare service activities were organized and carried out, and 68 24-hour intelligent employee union stations were built.
	"ABC Love for Deliverymen" public welfare activities	Meituan (Beijing Sankuai Online Technology Co., Ltd.), dianping.com	-	From 2024 to present	In 2024, more than a thousand winter care gift bags were distributed to deliverymen free of charge. The gift bags contained such outdoor items as insulated mugs and hand cream.
	"Source Dream ABC·Respect the Elderly" volunteer service project by Xiamen Branch	-	-	From 2016 to present	By the end of 2024, more than 60 birthday parties were organized and over 6,500 hours of volunteer services provided to upward of 5,000 person-times of senior customers.
Fulfilling Dream	"Small Points, Big Dream" public welfare activities by youth volunteers	China Youth Development Foundation	accumulated amount of funds raised for public welfare purposes as at 2024 year-end ¥10.05 million	From 2015 to present	By the end of 2024, a total of 816 classes in 136 schools were supported to establish reading corners, 3,896 children left behind in rural areas were provided with financial aids for schooling purposes, and 60 hectares of youth forest and 3 youth homes funded.
	"Collaborative Educational Support"volunteer service project by Guangxi Liuzhou Branch	-	accumulated amount of donation of funds and materials as at 2024 year-end ¥1.02 million amount of donation from enterprises under our initiatives ¥2 million+	From 2004 to present	Aimed to improve the educational environment in mountain areas and care for the left-behind children By the end of 2024, nearly 1,000 children were aided to complete their education, and over 40 of them realized the long-cherished dream of attending university.

Community Engagement

We proactively integrated ourselves into the local community and communicate extensively with local governments, community organizations and residents in a bid to understand community needs in depth and respond to community expectations. We proactively dealt with natural disasters and immediately launched the relief emergency mechanism after the occurrence of disasters to ensure the continuity and stability of financial services in the affected areas, and in the meantime, cooperated with local governments to carry out rescue work and support post-disaster reconstruction. For example, in the wake of the earthquake in Tingri County, the county level sub-branches of the Tibet Branch in the affected areas resumed operation via banking outlets, tent-based banking facilities, and mobile financial service vehicles on the second day after the disaster; after the Jishishan earthquake in Gansu Province, Gansu Branch formulated *Several Opinions on Providing Financial Services to Assist Earthquake Relief and Post-disaster Reconstruction* to help the affected people and enterprises with loans; and after the Wushi earthquake struck, Xinjiang Branch provided emergency financial services for rescuers and disaster-stricken people in the first time by dispatching mobile financial service vehicles and opening a green channel for financial services, among other things. During the floods in southern China, Guangdong Branch participated in the rescue and helped with operation resumption; Guangxi Branch provided deferred repayment services to affected customers; and Fujian Branch offered farmers deferred principal and interest payment services. All the examples fully demonstrated our strong sense of responsibility in providing services for the people. Our Head Office, too, participates in the greening work of Beijing Municipal Government. For instance, together with Jianguomen Sub-district, Dongcheng District, Beijing, it created the first grove of trees jointly planted by government and enterprises near the office building of the Head Office of Agricultural Bank of China.

Innovation-Driven

Governance

Enhancing technology empowerment was included the Bank's 14th Five-Year Plan, and considered by the Board and its Strategic Planning and Sustainable Development Committee. The Bank established the Technology and Product Innovation Committee within its senior management. Under this committee are the specialized sub-committees for product innovation of different segments and for overseas organization system innovation, respectively, which serve as deliberative bodies for significant matters related to the Bank's IT development and product innovation. In 2024, the Technology and Product Innovation Committee held 6 meetings in various form, considered 5 proposals, and listened to 5 reports.

Strategy

The Bank identified digital operation as one of its "Three Major Strategies." It is fully dedicated to advancing the development of smart banks in the digital era, enhancing AI innovation applications, leveraging "Data + Algorithms" to drive product innovation, and strengthening online and offline information sharing and resource utilization. The Bank accelerated the development of data tools and continuously lowered the thresholds to data utilization, to provide underlying data support for improving financial services and making innovations in products and services. Besides, it has been implementing the "14th Five-Year" development plan for IT construction, regularly assessing the outcomes and continuously enhancing technological support and empowerment.

Policy Development

The Bank formulated the *Management Measures for Product Innovation at Agricultural Bank of China* and the *Management Measures for Science and Technology Projects at Agricultural Bank of China*, which define responsibilities in product innovation management and improve management mechanisms to enhance the capabilities and efficiency of management.

Organizational System

The Bank refined its organizational system for product innovation by establishing the Technology and Product Innovation Committee and specialized sub-committees for product innovation across various business segments. It defined the roles and responsibilities of various innovation entities and departments at different links of the innovation chain to strengthen the full life-cycle management of products and technology projects. Related agencies were set up to oversee and approve key milestones in technology projects, achieving standardized management.

Release of the Implementation Plan for "AI+" Innovation

The Bank released the *Implementation Plan for "AI+" Innovation*, systematically outlining the methods, strategies, and pathways for building a smart bank through the in-depth integration of artificial intelligence (AI) with banking operations. Following an overall strategy featuring "Two Pathways, Eight Areas, Six Facets, and Three Phases," the Bank deployed comprehensive AI construction and in-depth application across the organization to drive high-quality development of smart banking services.

Two Pathways

Leveraging "AI+" key projects and typical scenarios to rationally deploy decision-making and generative AI applications.

Eight Areas

Focusing on credit, risk control, channels, operation, investment advisory, marketing, operation and maintenance, and office operations to achieve high-quality development across the board in smart banking services.

Six Facets

Driven by scenario-based applications, systematically building up the overall AI application capabilities in greater depth and width and across multiple scenarios, which are centered around business, data, technology, models, security, and the ecosystem.

Three Phases

Progressively advancing the establishment of a system framework and paradigms for AI applications within the Bank and fostering definitive AI application capabilities, with key milestones to be achieved at the end of 2025, in the middle of 2027, and at the end of 2029.

Application of Technological Innovations

Application of Big Data

Promote the development of cloud-native data lakes; the branch data cloud migration project was successfully completed, further consolidating the data foundation.

Application of Cloud Computing

Continuous efforts to enhance cloud-native capabilities resulted in a 92.3% adoption rate of applications deployed on Platform-as-a-Service(PaaS).

Application of Distributed Framework

The transformation and upgrade of products such as combined payment, corporate deposits, personal demand deposits, and debit cards, along with their supporting business platforms, transitioned to a distributed core single-track operation. The transformation process was smooth and stable, with no noticeable impact on customers.

Application of Network Technology

The project of "End-to-End Visualization of SRv6 Network Construction" was selected as an excellent achievement in the pilot projects of IPv6 technological innovation and integrated application by the Cyberspace Administration of China.

92.3%

adoption rate of applications deployed on PaaS

Cultivation of Innovative Talents

The Bank attached great importance to the cultivation of talents in scientific and technological innovation. It selected and awarded outstanding scientific and technological achievements on an annual basis, giving special recognition to units and individuals who made outstanding contributions to IT construction. This fully stimulated the enthusiasm and creativity of scientific and technological personnel, thus vigorously promoting technological innovation. As of the end of 2024, there were 27,561 technology and digital operation management personnel at the Bank, accounting for 6.1% of the total employees.

27,561

total number of technology and digital operation management personnel

Honors for Innovative Achievements

The Bank won six "2023 FinTech Development Awards" granted by the People's Bank of China. Among them are the First Prize for the Distributed Core System Construction Project, the Second Prizes for the High Availability Construction Project for Finance-Grade Databases and for the Integrated Credit Business Platform of the Group, and the Third Prizes for the Intelligent Content Distribution Network Platform for Digital Operations and for the Inclusive Finance Digital Operation System.

First Prize

for the Distributed Core System Construction Project

Risk Management

Product Risk Compliance Audits

Upholding the principles of compliance priority and risk-orientation, the Bank conducts risk compliance audits at process of product innovation to ensure compliance with domestic and overseas laws, regulations, regulatory requirements, and internal rules and policies, strictly meeting risk compliance standards.

Strengthening Intellectual Property Protection

The Bank continuously enriched and improved the intellectual property policy system, and formed the *Intellectual Property Management Measures of Agricultural Bank of China,* which clarified the management rulesl of individual intellectual property rights such as trademarks, patents, trade secrets and domain names. Each branch outlet carried out intellectual property management based on domestic and overseas laws and regulations and the actual situation of the Bank. We formulated the *Detailed Rules for the Implementation of IT Intellectual Property Management*, established IT patent application and software copyright management and control mechanisms, built an intellectual property database, and continuously promoted the digital construction of rights certificates. We issued the *Detailed Rules for the Implementation of Trademark Management of Agricultural Bank of China* to strengthen the intellectual property protection of brand innovation. The *Agricultural Bank of China Confidentiality Management Measures* was formed, and a relatively complete trade secret management standard was established for the Bank.

During the reporting period, the Bank had 534 authorized invention patents , an increase of 126% compared to previous year.

Indicators and Targets

The Bank compiled annual plans for science and technology projects, outlining the arrangements for project research and development (R&D) and the allocation of resources throughout the year. Adequate R&D resources are allocated to key projects to ensure the smooth implementation of the R&D plan. During the reporting period, the Bank proposed 4,361 science and technology projects. As of the end of 2024, the total investment in information technology amounted to RMB24.97 billion, accounting for 3.5% of operating income.

¥24.97 billion

total investment in information technology

3.5%

proportion in operating income

Ethics of Science and Technology

We actively implement the relevant national requirements on science and technology ethics, following the value concepts of integrity and innovation, data security, inclusiveness, openness and transparency, fair competition, risk prevention and control, etc. Adhering to the concept of science and technology for good, we deeply integrate science and technology ethics into financial services, continuously improve the intelligent level of network security operation, actively safeguard national security and financial security, and provide safe and stable financial services to our customers.

Supply Chain Security

As of the end of 2024, the supplier performance rate of both our Head Office and domestic branches stood at 100%.

100%
supplier performance rate

Number of Suppliers by Registration Region

Enhancing the Management of Supply Chain Risks

Objectives and Plans

Following the principle of good faith and the concept of rigorous and standardized management, we established a sound supply chain risk management system to identify, assess, monitor, and effectively handle various potential risks, thereby improving the resilience of our supply chains. In addition, we improved our emergency response plans and optimized our procurement strategies to ensure the security and stability of our supply chains. Furthermore, we identified the priorities of our annual supply chain management work, put all of the key items in place, and strengthened the management of our suppliers throughout the procurement process.

In the future, we will continue to strengthen market research and supplier investigation, enhance the identification of supplier risks from multiple angles, be more active in managing bad behaviors, and enhance the day-to-day communication with key suppliers.

Effects of Coping Mechanisms and Countermeasures

Improving procurement systems

According to national laws, regulations and regulatory requirements for procurement via bidding, we established a bank-wide procurement and supplier management system. Through the *Supplier Registration Agreement for the Centralized Purchasing Platform of Agricultural Bank of China*, we tightened the management of entry, use, and exit of the suppliers and products across our supply chain. Moreover, we defined the entry rules, review standards, and bad behavior management requirements for our suppliers, and realized standardized operation throughout the process of procurement, including for project approval, bid invitation and evaluation, contract performance, and order placement, among other things.

Supplier entry and review

We tightened the selection and recruitment procedures for our suppliers, reviewed and evaluated their qualifications, financial status, track record, teams, etc., and selected legal and compliant high-quality suppliers that met the needs of the Bank. On the access link, suppliers who violated the law or breached trust, were involved in corrupt and greedy behaviors, banned by the Bank or had specific related circumstances were clearly listed as prohibited suppliers for the procurement. In the review process, we strictly reviewed the false records of the financial data by suppliers, rejected the bid or canceled the qualification of the suppliers who did not meet the qualification conditions or did not substantially respond to the requirements of the procurement documents, and supported the "double-blind" evaluation of secret bid, effectively preventing the risks of fraud and collusion. We conducted supplier due diligence to ensure the stability and reliability of the supply chain during procurement.

Performance management

We constructed a multi-dimensional supervision system, and implemented comprehensive monitoring over the performance behaviors of contracted suppliers by comprehensively utilizing various means such as performance supervision and inspection, risk big data monitoring, loan risk screening, pre-contract bad behavior warning and education of contracted suppliers, internal and external audits, etc. For suppliers with non-performing loans, we carried out performance risk assessment and strengthened payment account management in a timely manner.

Environmental and social risk management

We identified the environmental and social risks at each link of our supply chain. In the process of centralized procurement, we took warning and prohibition measures in a timely manner against suppliers that violated laws, regulations or contract agreements, the principles of fair competition and good faith, or harmed the interests of the Bank. We also participated in the establishment of the "Bad Behavior Information Sharing Database for Suppliers of the Financial Sector", pushed the list of suppliers with bad behaviors, strengthened the deterrent effect of handling the bad behaviors of suppliers, and guided the suppliers to operate in compliance with the law and perform the contract honestly. For details of our green procurement and optimization of environmental protection products, please refer to the chapter of "Environmental Issues – Climate Change Tackling – Implementation of Green Procurement".

Ensuring the Security and Stability of Supply Chain

We strictly implemented the requirements for supply chain management and supply chain security. In centralized procurement projects, we gave priority to public bidding, solicited suppliers from the society at large, and encouraged more potential suppliers to participate.

For the procurement projects involving key fields of production and operation of the whole bank, such as science and technology, operation, etc., we adopted the mechanism of shortlisting main and standby suppliers or multiple suppliers to reduce the risk of interruption and supply chain bottleneck that may be caused by single suppliers.

We continued to promote the construction of our own scientific and technological capabilities, strengthen independent research and development in core areas, enhance financial technology autonomy and risk resistance capabilities, enhance independent innovation, and improve supply chain security capabilities.

Equal Treatment to Small and Medium-sized Enterprises

According to the annual report published by the Bank in June 2024 on the National Enterprise Credit Information Publicity System, there was no overdue payments to SMEs by the headquarter of the Bank in 2023.

Consumer Interests Protection (Safety and Quality of Products and Services)

The Bank attaches great importance to consumer interests protection (hereinafter referred to as "consumer protection"), comprehensively promotes the construction of the pattern of "the bank-wide management of consumers' interests protection, and the bank-wide responsibility for consumers' interests protection", integrates consumer protection into corporate governance, corporate culture construction and business development strategies. We continuously improve the mechanism of consumer protection, and optimize products, processes and services from the source. We continue to improve the service mechanism of "Act For The People" and "Handle Complaints Immediately", improve the quality and efficiency of complaint management. We carry out consumer protection trainings annually, extensively implement the "Normalized And Embedded" financial knowledge popularization, and effectively protect the legitimate rights and interests of financial consumers.

Governance

The Bank's Board of Directors serves as the ultimate decision-making body for consumer protection, with the Risk Management and Consumers' Interests Protection Committee established under it to study major consumer protection issues and policies and oversee the fulfillment of consumer protection responsibilities by senior management and others. The Board of Supervisors is responsible for supervising the performance of consumer protection duties by the Board of Directors and senior management. The senior management leads the Bank's overall consumer protection efforts, guiding the establishment of a well-defined, reasonably structured, adequately supported, and effectively implemented consumers protection management system. They formulated, reviewed, and coordinated consumer protection work plans, programs, and tasks to ensure the effective execution of consumer protection strategic objectives and policies. The Consumer Interests Protection Committee is established under the senior management to uniformly plan and deploy the consumer protection work of the Bank. The Head Office's Consumer Interests Protection Office is the leading management department for the Bank's consumer protection work, responsible for organizing, coordinating, supervising, and guiding other departments at the Head Office and subordinate branches in conducting consumer protection work. Under the senior management, the Technology and Product Innovation Committee is established as the deliberative body for significant matters concerning the Bank's IT construction and product innovation. It is responsible for deliberating on, coordinating and making decisions regarding major matters related to the information technology and product innovation of the Bank. The Office of the Technology and Product Innovation Committee is set up within the Head Office's Technology and Product Management Bureau.

In 2024, the board of Directors and specialized committees considered the annual plan and the progress of consumer protection work, the internal assessment of consumer protection, the audit report of consumer protection, and the notification of regulatory complaints. The Board of Supervisors listened to reports on key issues such as the annual work plan and implementation. The senior management actively performed their duties in improving the working mechanism of consumer protection and strengthening complaint management. The Party Committee, the Board of Directors, the Board of Supervisors and the senior management held 31 meetings to study and consider matters related to consumer protection. The Technology and Product Innovation Committee held 6 meetings in various forms, considered 5 proposals and listened to 5 reports.

31

number of meetings held by the Party Committee, the Board of Directors, the Board of Supervisors and the senior management to study and consider matters related to consumer protection

Strategy

The Bank incorporated consumer protection into its "14th Five-Year" development plan to advance the transformation and upgrading of consumer protection efforts. We developed the 2024 Consumer Interests Protection Work Plan to refine the consumer protection mechanism and comprehensively built up the awareness of "the bank-wide management of consumers' interests protection, and the bank-wide responsibility for consumers' interests protection".

Consumer Protection Policy System

The Bank continues to develop and improve its consumer protection policy system, including the overarching consumer protection regulation, the *Management Measures for Consumers' Work*, along with 80 consumer protection related policies such as the *Working Rules of the Consumer Interests Protection Committee*, the *Management Measures for Consumers' Interests Protection Reviews*, the *Guidelines for Consumers' Interests Protection Information Disclosure*, the *Management Measures for Customer Information Protection*, the *Implementation Rules for the Protection of Personal Customer Information*, the *Management Measures for Service Cooperation Institutions*, the *Management Measures for Handling Customer Complaints*, and the *Management Measures for Financial Knowledge Education and Publicity*. These policies cover consumer protection reviews, information disclosure, sales suitability, traceability management, information protection, cooperation institution management, complaint management, diversified dispute resolution, education and training, emergency response, performance assessment, and internal audit.

Improving customer service. We issued the *Notice on Implementing the 2024 Agriculture-related Service Project*, outlining 10 specific measures to improve customer service at outlets. Moreover, we conducted a customer satisfaction survey on outlet service, with our retail banking customers rating satisfaction at 94.57 points, an increase of 1.41 points from the previous year. For more details on customer service, please refer to "Social Issues-Inclusive Finance-Access to Financial Services".

94.57 points

retail banking customers satisfaction rating

an increase of 1.41 points from the previous year

Employee Training on Consumer Financial Protection

We formulated Financial Knowledge Education, Publicity and Training Program every year to carry out annual consumer protection education and training across the Head Office and branches, covering mid-to-senior managers, consumer protection staff, frontline staff, and new recruits. The program included consumer protection policies, the consumer protection mechanisms, personal information protection, financial knowledge education and publicity, and complaint handling. These efforts aimed to enhance the overall consumer protection compliance awareness and service capabilities among all staff. In 2024, over 6,800 consumer protection training sessions were conducted for nearly 1.14 million person-times.

Consumer Protection Specialized Training

The Head Office organized consumer protection teacher training workshops, consumer protection specialized training sessions, and online consumer protection specialized training (including personal information protection). Department heads and key personnel from the consumer protection departments of the Head Office and tier-one branches participated in these training programs. Cumulatively 26 courses were developed and delivered and more than 17 thousand employees were trained. An online consumer protection course was available on the "ABC e-Learning" platform for all employees to access.

New Employee Training

During the 2024 New Employee Orientation at the Head Office, a dedicated course on ABC's Retail Business Transformation and Consumer Protection was introduced to explain the content and mechanisms of consumer protection work. Consumer protection content was also incorporated into the *New Employee Orientation Manual* to guide new recruits in understanding consumer protection efforts.

Exams to Promote Learning

Consumer protection related questions were included in the annual bank-wide job qualification certification exams. The Bank conducted consumer protection tests covering knowledge of consumer protection laws & regulations, regulatory requirements, and internal policies.

Financial Education

The Bank established a normalized education and publicity mechanism, and formulated the *Management Measures for Financial Education and Publicity* and the *2024 Financial Education and Publicity Training Program*. These documents outline the overall arrangements, objectives, and requirements for promoting financial literacy and educating financial consumers. We combine consumer protection publicity with the "Five Target Areas", with people's production and living scenarios and banking service processes, with doing practical things for the people and promoting measures to facilitate and benefit the people, with its own advantages and with cultivating financial culture with Chinese characteristics. In 2024, the Bank carried out more than 206 thousand centralized publicity activities, involving nearly 1.18 million person-times of promotion personnel and more than 22 thousand business outlets, reaching more than 2.2 billion person-times of consumers.

206 thousand+

number of centralized publicity activities

2.2 billion+

person-times of reached consumers

Financial Education for Key Demographics

The Elderly: According to the characteristics of the elderly customer group, we organized and carried out normalized and embedded education and publicity. By visiting nursing homes, communities, service institutions, and universities for the elderly, we popularized pension financial knowledge and aging-friendly financial services for the elderly, and improved the pension fraud prevention ability of the elderly customer group. Fujian Branch went to the nursing home to tell about illegal fund-raising cases and enhance the risk prevention awareness of the elderly.

The Youth: We collaborated with government departments, schools, communities, etc. to organize a variety of activities to help young people establish correct financial concepts. The Shaanxi Branch visited universities such as Xi'an University of Posts and Telecommunications and Xi'an University of Technology, while the Tianjin Branch collaborated with Nankai University to give lectures on financial knowledge, covering topics such as RMB, card security, reasonable borrowing, staying away from campus loans, and introducing campus anti-fraud knowledge and typical cases of telecom fraud, helping teachers and students enhance their risk prevention awareness.

New Residents: We upgraded and built more than 22 thousand "ABC Considerate Warm Space Trade Union Post Stations" to provide public welfare services such as rest place, drinking water and charging for outdoor workers. In collaboration with local police, enterprises, and other institutions, we organized activities in business districts, construction sites, courier stations, and takeout delivery companies to introduce financial measures benefiting new residents, popularize knowledge on preventing telecom and Internet fraud and illegal fund-raising, and help them away from illegal financial activities.

Farmers and Ethnic Minority Groups: According to the characteristics of different counties such as old revolutionary base areas, ethnic minority areas, border areas, underdeveloped areas, and eastern coastal areas, financial education was carried out accurately to form a wide-coverage, multi-category, and multi-level financial publicity and education network. The Head Office focused on 832 counties lifted out of poverty across the country, and extensively carried out "Financial Publicity Rural Tour" activities on anti-fraud and anti-illegal, rational investment, and personal information protection. The Hunan Branch collaborated with Hunan Radio to produce a series of financial literacy promotion programs entitled "Village Loudspeaker", covering 0.43 million loudspeakers in administrative villages across the province, sent financial knowledge to the masses. Xinjiang Branch and Xinjiang Radio and Television Station launched the "Rural RV" activity and went to 20 counties in Xinjiang to deliver mobile financial services, anti-money laundering, and anti-fraud knowledge to fields and pastures. The Yunnan Branch organized a series of " Financial Consumer Rights Protection Tours" to ethnic minority areas, enabling people of all ethnic groups to learn about financial consumer protection knowledge and enhance their risk prevention awareness.

The Disabled: We pay attention to the financial needs of the disabled, continuously optimize service facilities and processes, cultivate employees' sign language and Braille communication skills, provide convenient services and extensive products for special groups of people, and improve user experience. The Hubei Branch collaborated with the Comprehensive Service Center for the Disabled to popularize anti-fraud knowledge among the disabled. Employees of the Chongqing Branch used sign language to remind deaf-mute people to use bank accounts legally and compliantly, guard against telecom fraud, and refrain from participating in online gambling and money laundering.

Cooperation on Financial Education

Upholding the principle of "Finance for the People," the Bank has engaged in in-depth cooperation with various institutions to build a multi-tiered and widely covered financial literacy promotion network. The Head Office and Renmin University of China jointly built a "Financial Knowledge Education Publicity Cooperation Base". Eight branches, including the Liaoning Branch, strengthened cooperation with local financial regulatory bureaus to host or co-host the launch ceremonies of the "Financial Education and Publicity Month." Branches in Jilin, Jiangsu, Guangdong, Shanghai, Gansu and other places joined hands with local primary and secondary schools to promote financial education for young people. The Shandong Branch collaborated with the Xinhua Bookstore Group to conduct publicity activities, allowing readers to acquire financial knowledge while reading good books. The Xiamen Branch co-established 20 financial consumer protection stations with sub-districts, communities, villages, schools, police stations, and other units, achieving full coverage in six administrative districts and conducting normalized education and publicity activities.

Fair Advertising and Marketing

The Bank strictly complies with laws and regulations such as the *Advertising Law of the People's Republic of China* and the *Management Measures for Internet Advertisements*, and implements the *Notice on Further Regulating Advertising and Endorsement Activities for Financial Products* issued by the National Financial Regulatory Administration. We formulated policies and measures such as the *Agricultural Bank of China's Brand Management Measures* and the *Agricultural Bank of China's Advertising Guidelines (Trial)*, which are applicable to domestic institutions at all levels, overseas branches, and overseas representative offices. These measures further specify requirements for advertisement management, intellectual property protection, and risk prevention, including advertising content must be objective, truthful, fair and just, with no false or deceptive publicity content, and basic information on financial products or services should be presented accurately and clearly, with prominent risk warnings to avoid exaggerating facts and misleading consumers.

We implemented centralized organization as well as graded and classified management. The Head Office leads the management of the Bank's advertising work and the main brand image advertising, while sub-brand leading management departments and business departments manage corresponding advertisements. The Head Office and branch outlets review the content, design elements, visual specifications, and visual presentations of advertisements to ensure their compliance, fairness, truthfulness, and healthiness.

Through online training and face-to-face training, etc., the Bank provided professional trainings to employees related to brand management to improve the execution capability. In 2024, specialized brand management training were organized for key publicity staff at the Head Office, tier-1 branches, tier-2 branches, and sub-branches. Additionally, training courses on interpreting brand management in the new era were offered to branch staff.

Risk Management

The Bank continues to strengthen the prevention and control of consumer protection risks, refine policies and processes, strengthen assessment and supervision, and fulfill consumer protection responsibilities, to promptly resolve customer issues and effectively enhance customer experience.

Product and Service Review

The Risk Management and Consumers' Interests Protection Committee under the Board of Directors and the Consumer Interests Protection Committee under the senior management of the Bank regularly convene meetings, to be briefed on consumer protection work (including product and service consumer protection reviews), study and consider on significant consumer protection matters. We continue to refine the consumer protection review mechanism, conduct consumer protection reviews in the design and development, pricing management, agreement drafting, marketing and publicity, customer and business management of products and services. We give special attention to suitability management, product and service information disclosure, personal information protection, and other areas. We identify, flag and eliminate risks and hidden dangers in a timely manner to prevent infringements of consumers' legitimate rights and interests from occurring at the source.

The Bank timely updates the key points of consumer protection review. In 2024, the Bank issued key points for consumer protection review for three types of businesses including personal loans, credit cards, and consignment sales of private equity asset management products, covering 10 major business matters including personal finance, online finance, and personal information protection. We formulated the *Personal Information Protection Review Guidelines*, organized the selection of outstanding consumer protection review opinions, further unified the review standards, and improved the professionalism of the review work. During the reporting period, the Bank carried out over 33 thousand consumer protection reviews and put forward more than 40 thousand opinions. We also formulated the *Guidelines for Information Disclosure of Consumer Rights Protection* to strengthen the disclosure management of major consumer protection issues. Consumer protection reviews were incorporated into the consumer protection performance evaluation, risk management, and internal control systems, to enhance their binding force and authority. Annual special audits on consumer protection are conducted, with increased audit efforts focusing on areas of regulatory concern.

Loan Modification Options

The Bank revised the *Post-loan Management Operating Procedures for Personal Credit Business of the Agricultural Bank of China*, specifying the applicable conditions and contents of modifications to customer loan contracts. Taking full account of the impact of objective factors such as extreme disasters and subjective factors such as changes in borrowers' financial status on loan repayment, we allow customers who meet the requirements of relevant regulations, upon mutual agreement and submission of relevant applications, to undergo an objective assessment based on the actual impact on their financial condition, and provides appropriate relief policy support or loan modification services. For permitted products, escalation options such as credit limit increase might be offered to eligible clients with good credit records. Customers are permitted to modify elements in the contract, such as repayment method upon mutual agreement. Upon receiving a modification application from a borrower, we review and approve it in accordance with business modification procedures. After the business modification is completed, the borrower is promptly notified via SMS or phone calls. Specific measures include but are not limited to: accommodating loan customers' prepayment needs and modifying the remaining term or reducing monthly payments; and negotiating to support eligible customers' deferred repayment needs.

The Bank explicitly outlines relevant modification clauses in personal loan contracts, informing customers of their associated rights and interests. Customers are supported in applying for modifications to repayment elements, personal information, etc., through outlets.

Debt Collection Management

The Consumer Interests Protection Committee oversees and reviews the implementation of debt collection policies. The Bank continues to refine rules and policies related to debt collection, formulate execution plans, and organize training, supervision and inspections. We conduct inspections to examine the protection of consumers' legitimate rights and interests throughout the collection process.

Debt Collection Policies

We strictly comply with national laws and regulations, as well as regulatory documents such as the *Measures for the Supervision and Management of Credit Card Business of Commercial Banks* and the *China Banking Association's Guidelines on Credit Card Collection (Trial)*. In accordance with the *Agricultural Bank of China's Operating Procedures for Personal Loan Overdue Collection Management* and the *Agricultural Bank of China's Operating Procedures for Kins Quasi-Credit Card Post-loan Risk Management*, we ensure confidentiality of customer information during the debt collection process and prohibit collectors from using improper means such as deliberate harm, intimidation, or threats for collection.

Debt Collection Procedures

Collection methods are divided into manual and non-manual approaches. Manual approaches include phone calls, door-to-door visits, and judicial collection, while non-manual ones encompass intelligent voice messages, SMS, letter reminders, and overdue reminders through other channels (such as micro banks and mobile banking apps). Outsourced collection is implemented based on actual circumstances. A "Smart + Manual" approach is adopted to provide differentiated repayment reminders for customers with upcoming due dates, matured debts, and overdue debts. Pre-reminders are sent to credit card customers with upcoming due dates, timely repayment reminders to those with matured debts, and differentiated repayment reminders to low risk credit card accounts overdue for up to 60 days.

Training for Collection Relevant Employees

Professional training is conducted on a regular basis for employees involved in debt collection. Personal loan risk management training is provided annually to customer managers and post-loan managers across various business lines, covering laws, regulations, policies, professional knowledge, codes of conduct related to standardized overdue collection, complaint management, and personal information protection through various means such as on-site sessions and remote training. Specialized training on credit card post-loan collection is offered to relevant staff, covering standardized management, complaint case analysis, legal collection practices, new functions of the collection system, diversified dispute resolution, negotiated repayment operations, and technology outsourcing management.

Customer Complaint Management

Oversight of Complaint Handling

The Risk Management and Consumer Interests Protection Committee under Board of Directors of the Bank regularly studies and oversees complaint notifications and regulatory evaluations of consumer protection work. Besides, we analyze the trends and causes of complaints, provide guidance to enhance the performance and efficiency of complaint handling, and oversee the comprehensiveness, timeliness, and effectiveness on complaint management of the management and the consumer protection department.

Complaint Management Policies

The Bank formulated policies such as the *Measures for Customer Complaint Management*, the *Guidelines on Handling Complaints (Trial)*, the *Guidelines on On-site Dispute Resolution at Bank Outlets*, the *Guidelines on Mediation of Financial Consumer Disputes*, *Guidelines on Traceability and Rectification of Customer Complaints*, and the *Emergency Response Plan for Major Complaints*. These policies aim to standardize the handling of consumer complaints and provide guidance for institutions at all levels to implement complaint management mechanisms, address major complaints, seek settlements, resolve disputes through diverse means, trace issues to their sources for governance, and handle complaint scenarios in various contexts.

Complaint Handling Processes

The Bank established an independent internal complaint management and review department, whose main responsibilities include formulating complaint management system, executing daily complaint management, guidance, assessment and due diligence supervision, and carrying out complaint data operation monitoring and statistical analysis. Comments or suggestions on our products or services can be communicated through the channels listed in the table below.

Complaint Channels

Outlets	Customers can report issues in person, by phone, or through suggestion books at the outlets of the Agricultural Bank of China.
Customer Service Hotline	Dial the customer service hotline at 95599 or the credit card customer service hotline at 4006695599.
Mobile Banking	Log in to the Agricultural Bank of China Mobile Banking APP and click "Customer Service".
Official Website	Visit the official website of the Agricultural Bank of China (http://www.abchina.com.cn) and click "Online Customer Service".
WeChat Official Account	Follow and enter the "Agricultural Bank of China Cloud Customer Service" WeChat Official Account, then click "My Customer Service".
Email	Send an email to 95599@abchina.com.cn.
The Head Office's Mailing Address	No. 69 Jianguomennei Street, Dongcheng District, Beijing (Postal Code: 100005).

Procedure of Complaint Resolution

1. Consumers submit complaints through the complaint channels published by the Agricultural Bank of China.
2. Upon receiving a complaint, the Bank promptly forwards it to the relevant unit for handling.
3. The complaint handling unit investigates and verifies the complaint, makes a handling decision within 15 days from the date of receipt, and notifies the complainant. In complex cases, this period may be extended to 30 days, with a maximum handling period not exceeding 60 days.
4. When notifying the complainant of the handling decision, the complaint handling unit will explain the verification of the complaint content, the relevant basis and reasons for the decision, as well as the remedial channels available to the complainant, including application for review, mediation, arbitration, litigation, etc.

Indicators and Targets

The Bank consistently upholds the political and people-oriented nature of financial work and diligently fulfills regulatory requirements. We take a problem- and goal-oriented approach to enhance proactive management of all complaints, further refine the complaint management mechanism, and advance source governance in key areas. We continue to improve the performance and efficiency of complaint handling and strengthen support by the complaint system. In 2024, the number of consumer complaints was 279 thousand. The complaints from different channels were solved properly and the resolution rate for complaints reached 100%.

According to the criteria outlined in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, no major administrative penalties on safety and quality related to products and services during the reporting period.

100%

resolution rate for complaints

Data Security and Customer Privacy Protection

Governance

The Bank strictly implements the requirements of the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and the *Measures for the Implementation of the Responsibility System for Cybersecurity Work of the Party Committee (Party Group)*, and specifies that the Chairman of the Board is the first responsible person for cybersecurity and data security of the Bank, and the presidents of the institutions at all levels in charge of cybersecurity and data security are the direct responsible persons, and reports the cybersecurity and data security management work and responsibility implementation to the senior management every year.

Strategy

The Bank's "14th Five-Year Plan" clearly targets to improve the operational mechanism of data governance, strengthen closed-loop control of data quality, improve the level of data security protection, and to strengthen cybersecurity, promote the full coverage of the R&D management system for application security, and improves the ability of active network security defense.

Data Security

Data Security Management System

The Bank attaches great importance to data protection and established a data security protection mechanism that covers the entire life cycle of data and key application scenarios. We formulated the *Data Security Management Measures* to consolidate the data security responsibility system, complemented by basic management standards in such areas as general protection, security assessment, and incident emergency response. Concurrently, we released key specialized regulations for such areas as data export, data analysis, and external data introduction to prevent and control data security risks in key areas and effectively built the bottom line of data security.

The scope of data security policy covers all business lines and subsidiaries. A "matrix-style" data security management system was established, with vertical hierarchical responsibility and horizontal line management in place. Each department at the Head Office is responsible for data security management within its respective business line, organizing the implementation of data security management requirements and technical protection standards. Lead departments in specialized areas are responsible for promoting the implementation of data security management requirements within their domains. The integrated management of data security across the Group was continuously strengthened. All overseas institutions and subsidiaries established their data security management mechanisms, designated specialized agencies or individuals responsible for data security, held data security work meetings covering overseas institutions and subsidiaries, and followed up on progress on a quarterly basis.

Data Classification and Grading Management

The Bank formulated relevant systems for data classification and grading, and clarified the principle requirements, operational procedures and dynamic adjustment mechanisms for classification and grading. We clarified the differentiated lifecycle data security protection measures for data with different security levels, following data security protection requirements, and made overall plans for data security protection and rational use of data.

Minimal Data Collection and Retention

Collection of Customer Information
The Bank collects customer information in accordance with the principles of legality, legitimacy, necessity, and integrity. Within the minimum scope necessary to achieve the processing purposes, customer information is collected in compliance with laws, administrative regulations, and business needs. Information not directly related to the business or services provided is collected, and improper means is not used to obtain customer information.

The Bank publicly discloses its collection rules, specifying the purpose, method, scope, retention period of the information collected, and the possible consequences of consenting to the collection, and obtains the consent of the individuals concerned. In case of changes to the purpose, method, or type of personal information processed, new consent from the individuals is obtained.

Usage of Customer Information
When using customer information, the Bank strictly adheres to the purposes for which the information is collected and does not exceed the scope authorized by the customers. Customer information obtained through access to credit reporting systems, payment systems, and other systems is used strictly in accordance with relevant regulations or agreed-upon purposes.

Retention of Customer Information
In compliance with laws, regulations, and regulatory requirements, the Bank promptly deletes customer information upon expiration of the retention period. In particular, the storage period for personal customer information is kept to the minimum necessary limit.

Cybersecurity

The Bank's data center adopted widely accepted standards such as the ISO27001 with related certification, and established a comprehensive and standardized information security management system. For several consecutive years, we successfully passed the certification audits conducted by the China Cybersecurity Review, Certification and Market Regulation Big Data Center. We established a 24/7 monitoring and on-duty mechanism, implemented classified and graded management for cybersecurity incidents, and developed a normalized security emergency response mechanism, forming a closed-loop vulnerability management process. We achieved full-lifecycle security control in project research and development, promoting the integration of SDL standards with R&D.

24/7

established monitoring and on-duty mechanism

Customer Privacy Protection

Institution Building

We formulated the *Management Measures for Customer Information Protection and the Detailed Rules for the Protection of Corporate Customer Information* applicable to corporate business to safeguard the information security of institutional customers. We also formulated the *Detailed Rules for the Protection of Customers' Personal Information*, specifying the principles of legality, legitimacy, and necessity in individual customer information processing, and standardizing each step of personal information collection, storage, use, processing, transmission, provision, and disclosure. These measures aim to promote synchronous governance in contract modifications, regulation revisions, data control, and system upgrades, integrating personal information protection requirements into all the processes and links of business operations and customer service.

Specific Measures

The Bank strictly implements the *Personal Information Protection Law* and other legal and regulatory requirements, and abides by the principles of legality, legitimacy and necessity, good faith, consistency of powers and responsibilities, clear purpose, selection and consent, minimum necessity, security ensuring, subject participation, openness and transparency principles. We formulated personal information processing rules such as *Privacy Policy (Public Version)* and *Privacy Policy (Personal Version)*, and published them simultaneously on online and offline channels such as official websites, mobile banks, counters, and super counters, and updated them in a timely manner in accordance with regulatory regulations version.

The Bank strictly implements a hierarchical authorization mechanism, properly determining the scope, authority, and procedures for staff and supervisors to use information based on the importance and sensitivity of customer information, as well as business needs. Rules for handling personal information are clearly communicated to customers through product or service agreements, authorization letters, etc., and customer authorization or consent is obtained in accordance with the law to continuously safeguard the personal information security of customers.

The Bank respects and protects customers' rights in personal information processing activities, including the right to access, rectification, and delete individual data. Right to Access: Customers can inquire and access their personal information through the Bank's business outlets, online banking, and mobile banking app. Right to Rectification: Customers can modify and update their personal information through online banking, and mobile banking app, or submit modification requests through the Bank's business outlets and the customer service hotline (95599). Right to Delete: Customers have the right to delete their personal information. They can apply through business outlets and the customer service hotline (95599) to delete their personal information from systems involved in daily business functions, ensuring it remains non-retrievable and inaccessible.

The Bank made system adaptability upgrades and adopted encryption, de-identification, and other security techniques to strengthen data security prevention and control, and improve the intelligent management level of personal information protection.

Third–Party Data and Privacy Security Management

The Registration Agreement for Suppliers on the Agricultural Bank of China's Centralized Procurement Platform and various links of the procurement process clearly outline suppliers' responsibilities and obligations regarding data security, ensuring compliance and security in data processing and effectively safeguarding the legitimate rights and interests of the Bank and its clients.

Bidding documents explicitly stipulate the confidentiality obligations for bidders, prohibiting the disclosure of information obtained through bidding to any third party. When registering on the ABC e-Procurement Platform, suppliers must accept the confidentiality clauses in the registration agreement and undertake confidentiality obligations for the Bank's related data or information. A third-party digital identity authentication certificate encryption mechanism is introduced into the electronic bidding platform to ensure authenticity, non-repudiation, and traceability of the electronic bidding process.

Standardized contract terms are formulated to clearly define the responsibilities and obligations of both parties in terms of customer information protection for the Bank and its clients. Stringent security control measures are implemented, requiring suppliers to properly store carriers containing customer information and strictly comply with relevant requirements for inquiry and approval processes for systems involving the Bank's customers or operational information, standardizing password use to ensure operational compliance and information confidentiality.

Enhancing the management of customer information obtained from third parties. The Bank formulated the *Management Measures for Customer Information Protection*, making clear that when obtaining customer information from any third party, the Bank shall require the third party to disclose the source of the information and confirm its legality. The Bank shall also verify the scope of authorization and consent obtained by the third party for processing the customer information, including the purpose of usage, and whether the information subject authorized the sharing, transfer, public disclosure, and cross-border transfer of such information. If the customer information processing activities required for business operations exceed the scope of consent obtained by the third party, explicit consent from the information subject must be obtained within a reasonable period after obtaining the customer information or before processing it.

Supervising third parties in protecting customers' personal information. The Bank formulated the *Detailed Rules for the Implementation of Customers' Personal Information Protection*, specifying that when outsourcing, conducting business cooperation, or engaging intermediaries to provide services involve processing customers' personal information with any third party, the Bank shall thoroughly review and assess the third party's ability to protect customers' personal information. Based on laws, regulations, policies and rules, the Bank shall specify the responsibilities and obligations of both parties in protecting customers' personal information in business cooperation agreements or confidentiality agreements, take necessary measures to supervise the third party's fulfillment of these responsibilities and obligations, and accurately record and store information related to processing customers' personal information in cooperation with the third party. The Bank continues to strengthen the supervision and management of data security of service providers and third-party cooperative institutions, monitors abnormal third-party data processing or data breaches, loss and tampering, and establishes a third-party data security assessment and inspection mechanism. We also carry out special assessment and inspection of data security, and continue to improve the supervision and management of internal and external personnel behavior.

Do not provide customer information externally except under legal circumstances or duly authorized. The Bank makes promises to customers through its privacy policy that, except in cases explicitly stipulated by laws and administrative regulations, such as when necessary for the conclusion and performance of contracts involving customers as a party, or for the fulfillment of the Bank's legal obligations, as well as in cases where separate consent from customers is obtained, the Bank shall not provide customers' personal information to companies, organizations, or individuals outside the Bank. If there is an actual business need to provide customers' personal information externally, the Bank shall inform customers of relevant information about the recipient of personal information, purposes and means of processing, and types of personal information, and obtain separate consent from customers in accordance with the law, unless otherwise stipulated by laws and regulations.

Strengthening Cultural Development and Training

The Bank continues to strengthen its data security management team building by integrating data security into business management. Specialized data security courses were introduced into training programs across business lines, targeting data security managers at the Head Office and branches to enhance their professional capabilities. The training program covers data security laws and regulations, internal rules and regulations, and operational procedures for key scenarios, organized through recorded courses, specialized workshops, short videos, and knowledge assessments. During the reporting period, over 90 data security training sessions were organized, with more than 0.4 million employees completing the training program and specialized tests.

0.4 million+

number of employees that completed the training program and specialized tests on data security

The *2024 Financial Knowledge Education and Publicity Training Plan* was formulated, covering middle and senior management, consumer protection staff, frontline operations personnel, and new recruits. The training curriculum included personal information protection, financial knowledge education and publicity, and complaint handling. In 2024, more than 6,800 consumer protection training sessions (Including protection of personal information) were organized for all employees across the Bank, reaching nearly 1.14 million person-times of participants. Continuous training on laws related to personal information protection was organized, promoting awareness of legal requirements and enhancing the ability of frontline staff and those in legal, consumer protection, and other professional roles to protect customer personal information.

6,800+

number of consumer protection training sessions (including personal information protection) for all employees across the Bank

1.14 million

person-times of participants

We strengthened training for third-party personnel, such as labor dispatch workers and contractors. These personnel are included into data security training programs, who attended various data security-related training sessions covering basic knowledge of data security management measures and data security requirements for outsourcing management.

Risk Management

The Bank incorporated data security into its comprehensive risk management system, establishing management processes for data security risk monitoring, disposal, and reporting in accordance with comprehensive risk management requirements to effectively prevent and address data security risks.

Proactively Enhancing Capabilities to Respond to Data Security Incidents

Practical Drills: The Bank strengthened monitoring, early warning, and emergency response drills for data security incidents. The *Data Security Incident Emergency Response Plan* was developed to define incident classification and grading standards, reporting and disposal procedures, division of labor, accountability mechanisms, etc. The Bank formulated the *Data Security Emergency Drill Plan*, simulated key scenarios and carried out bank-wide data security emergency drills during the Reporting Period.

Addressing Data Breaches: The Bank focuses on controlling sensitive data on office terminals, deploying terminal data breach prevention systems (DLP) on over 0.4 million office terminals across the Bank, and continuously conducting data rectification. The relevant regulations for data security management of office terminals were formulated to establish a routine control mechanism.

Establishing a Business Continuity and Disaster Recovery System

The Bank established a reactive system for business continuity, with full disaster recovery for all major businesses and dual-active operation for all critical businesses across the entire link. All manual outlets of 37 branches developed 4G disaster recovery networks. The availability rate of the Bank's key IT systems remains at 99.99%, with an annual drill coverage rate of 100%. All systems boast "quick disposal and recovery" capabilities such as startup/shutdown, isolation, traffic limiting, rollback, and switching. Both disaster recovery and emergency reactive capabilities meet regulatory requirements and business continuity targets of the Bank.

37 branches

all manual outlets of 37 branches developed 4G disaster recovery networks

99.99%

availability rate of key IT systems

100%

annual drill coverage rate of key IT systems

Improving Special Audits

The Bank attaches great importance to the audits of information security system. Internal audits are organized on an annual basis, focusing on the completeness of the data security management system, the effectiveness of controls in key areas such as data collection, storage, and external distribution, and the standardization of external data introduction. In 2024, the Bank conducted a network and data security management audit to continuously enhance the level of data security risk prevention and control. Independent external audit institutions conduct comprehensive audit and evaluation on the Bank's IT governance and management system annually, focusing on key areas such as IT development planning, IT risk management, information security management, IT system development and testing management, IT system operation management, IT outsourcing management, business continuity management.

During the reporting period, the Bank did not experience any major data security incidents or breaches of customer privacy.

Indicators and Targets

The Bank established medium- and long-term goals for data security management, implemented national and industry data security regulatory requirements, and built a data security governance system that was aligned with the Bank's business development to safeguard national security and the Bank's interests, protect the legitimate rights and interests of consumers, and coordinate data security with data application to ensure the proper and reasonable use of data. First, the Bank emphasized both data security and data development and application, promoting the digital economy with data as a key element. It continuously monitored emerging trends in data development and application, and technological advancements, enhancing the ability to address risks that may arise from big data applications and technological innovation. Second, the Bank focused on key data security issues and specific scenarios, strengthened the implementation of protective measures, and employed technical means to enforce strict compliance with management requirements, thereby preventing risks of mass data breaches. Third, the Bank clearly defined responsibilities for data security management, fostered collaborative efforts, organized comprehensive data security education and training for all employees, and continuously raised awareness and standards of data security protection.

Employees

Adhering to the principle of talent as the primary resource, and the strategy of strengthening the Bank through talents, we enabled the professional development of our employees, fully protected their rights and welfare, and showed earnest care for them, thus achieving common development with our employees. In the past three years, we were rated by the job-hunting website zhaopin.com as “a TOP 100 Chinese Employer in 2022” and “a TOP 100 Chinese Employer in 2023”, and by 58.com as “a Best Employer for College Graduates among the New-generation Employers of China in 2024”.

Governance

The Bank continued to improve the employee governance structure and management system, and incorporated the construction of cadre and talent team into the "14th Five-Year Plan" of the Bank, which was considered by the Board of Directors and its Strategic Planning and Sustainable Development Committee. The Board of Directors considered proposals including the recruitment plans of the Bank, and compensation plans for directors and senior management. Our human resource policies are highly coordinated and aligned with the objectives of our development strategies, helping to continuously improve the efficiency of our human resource allocation and provide a solid support for the high-quality development of the Bank and the professional growth of our employees.

Strategy

In the "14th Five-Year Plan", the Bank clearly stated that we will build a team of high-quality and professional cadres and talents, improve the working mechanism of cadres and talents in the new era, and provide strong talent support for reform and development.

Recruitment and Compensation

We strictly complied with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other labor and employment-related laws and regulations of the state, and resolutely opposed and prohibited any child labor and forced labor. We openly recruited employees accordingly to the principle of fairness and justice, prohibited the imposition of any discriminatory or restrictive clauses based on nationality, race, sex, household registration, religious belief, etc., entered into labor contracts with employees in accordance with the law, and provided our employees with equal opportunities for career development and effectively protected their legitimate rights and interests.

Besides, we actively implemented the central government's requirements for ensuring the stability of the job market, proactively undertook our social responsibilities, strengthened employment assistance for key population groups, and strived to create extensive employment opportunities for college graduates under different education stages and professional backgrounds. Moreover, we maintained our human resource allocation in services in County Areas in order to attract college graduates native to those areas to return to work in their hometown. In 2024, we recruited over 32 thousand people in total, and signed labor contracts with all of them.

We continued to carry out the "Summer Internship Program" for colleges and universities nationwide to provide a platform for students with different professional backgrounds to gain a deep understanding of the banking business, build up a wealth of practical experience, and thus promote their professional growth. In 2024, we recruited more than 12 thousand interns.

In addition, we established an institutionalized and standardized compensation system, tightened the management of compensation and payment, disbursed social insurance contributions and housing provident funds and established supplementary medical insurance and enterprise annuity funds. Our employees were paid on time and entitled to paid annual leave according to law. In 2024, the social insurance coverage rate of our employees was 100%.

100%

proportion of employees that signed labor contracts

100%

insurance coverage rate over employees

Health and Safety

The Bank attaches great importance to the protection of employees' rights and interests. We actively implemented measures that showed our employees love and care, and built a comprehensive non-pay benefit system covering all employees, to ensure the physical and mental health and meet the diverse needs of our employees, and create a harmonious and active workplace for them.

Non–pay Benefits

Strengthening employee health: In order to study and carry out in depth the decisions and plans of the Central Committee of the Communist Party of China on implementing the “Healthy China” strategy, we organize physical examination for major diseases every year. Aside from that, we provide health consultation, training, lectures and other health promotion services to our employees, with all employees covered by critical illness insurances. In 2024, the Bank set up a leading body for the construction of a healthy institution. We put on a total of 8,259 recreational and sports activities for all our employees, with 652.5 thousand person-times of participants, paid RMB 328 million in critical illness insurance benefits and provided psychological counseling services for 43 thousand person-times. At the Head Office, we carried out the activity of "building a Healthy Bank and striving to be a Healthy Champion”.

Improving working and living conditions: In 2024, we built 7,361 new Homes of Employees facilities, including 6,921 independent functional areas and 440 comprehensive functional areas. The independent functional areas consisted of small canteens, small reading rooms, small activity rooms, small bathrooms, revolving dormitories, noon break rooms, activity rooms dedicated to female employees, and recreation rooms. In addition, we completed the upgrading and renovation of the Homes of Employees at 1,961 outlets.

Stepping up efforts to relieve the financial distress of employees: Throughout the year, we spent a total of RMB198 million providing financial assistance to needy employees or showing care for them. Specifically, we disbursed RMB 5,025 thousand to employees who got injured or disabled due to work or who even died at work, benefiting 1,005 people. Additionally, we allocated special funds to our branches in typhoon and flood-affected areas in Fujian and Hainan Provinces for purchasing disaster relief materials and paying solatia to disaster-stricken employees.

Securing the right of employees to rest and recuperate: We issued the *Opinions on Carrying out Rest and Recuperation Work for Employees* to guarantee the right of our employees to rest and recuperate. The opinions made clear the eligibility for rest and recuperation (i.e., all employees with more than 1 year of service were entitled to the right to rest and recuperate), the employees who should be given priority, the form of rest and recuperation (i.e., rest and recuperation combined with learning and visit activities), and the time, place, scope and funding.

¥198 million

total funds for providing financial assistance to needy employees or showing care for them throughout the year

¥328 million

total amount paid for critical illness insurance benefits

43 thousand

person-times of employees provided with psychological counseling services

Democratic Management

We established the workers' congress system to effectively guarantee our employees' rights to know, to participate, to express and to supervise. In 2024, we elected 217 representatives and held the first meeting of the fourth workers' congress of Agricultural Bank of China. The meeting solicited and responded to 165 proposals made by our employees with respect to areas as follows: the optimization of business processes, the care for employees, the internal management and reform and innovation of the Bank, the management of human resources. The meeting deliberated and passed the *Enterprise Annuity Scheme (draft)* of the Bank, reviewed six schemes involving the vital immediate interests of our employees, including the *Measures for Managing Accountability (Draft for Approval)* and the *Measures for Managing Deferred Payment of Employees' Performance Pay (Draft for Comments)*, and listened to reports on the operation and management work, the performance of duty by employee supervisors, the performance of duty and compensation of responsible persons, etc. We thought highly of the opinions and suggestions voiced by our employees, and set up supervision hotlines and e-mail boxes available for them to file complaints or express opinions unimpededly. Meanwhile, we continued to collect, verify and process and provide feedback on the opinions of our employees.

Professional Development and Training

Strategy of Empowering the Bank with Talent

We made great efforts to strengthen the development of a workforce for the new era. We thoroughly implemented the workforce development plan for the "14th Five-Year" Plan period, continued to deepen the reform of workforce development systems and mechanisms, and carried out specialized workforce development projects open to outstanding young leaders, professionals and young front-line employees from key work areas and population groups.

Focusing on serving the real economy, the overall revitalization of rural areas, the financial services in the "Five Target Areas" and other key areas, we promoted the implementation of a series of special talent development programs, with a view to cultivating high-level talents capable of leading the reform and development, train and introduce urgently needed professionals, and strengthen the personnel support and guarantee for business transformation and development.

We vigorously selected and trained outstanding young cadres by implementing the young talent development project. In 2024, we selected over 3,000 young people as candidates for our cadres and offered them training. Also, we carried out personnel exchange projects between the Head Office and branches, between provinces, and between the Bank and companies, as well as the secondment projects with local governments, and selected and sent outstanding young people to work on the front line for gaining experience. Furthermore, we further implemented the program of one-on-one assistance between cadres of 100 branches in the western region and 100 branches in the eastern region for the purpose of rural revitalization, because we thought highly of the practice of cultivating, training and using cadres at the grass-roots level and on the front line of rural revitalization.

We actively advanced the development of a classified and tiered talent pool. Through specialized training programs, research projects, and thematic investigations, we strengthened the cultivation of professionals, enhancing their professional competencies in relevant fields. We continued to strengthen the development of customer manager teams, focusing on cultivating customer managers of the Rao Caifu type for the new era. Meanwhile, we selected and recruited people for specialized posts at all levels in an orderly manner, in a bid to smooth the channels for personal development and promotion and to mobilize the enthusiasm and stimulate the innovation and creation potential of our employees. Besides, we awarded advanced technical titles to high-level professionals based on a review of their professional competence to expand their space for professional development.

Specialized Position System and Career Development Mechanism

We continue to improve the specialized position system, and ensure scientific and reasonable position setting. By improving job qualifications, we provided our employees with clear talent pipeline.We established the tailored training programs for new employees based on their specific roles. Besides, we established a "double-channel" career development mechanism with employees getting promoted between management and specialized posts in an orderly manner, and explored the post-based promotion mechanism, in an effort to provide our employees with diverse promotion opportunities. The last but not least, we recruited people for specialized posts through strict selection processes on a regular basis, and for that purpose, improved the qualifying conditions and procedures, in order to ensure the fairness, justice and openness of the selection and recruitment process.

Training Mechanism

We formulated the *Education and Training Work Plan 2024* and offered our employees training of various types, including the Party School training, the special training on financial services in the "Five Target Areas", the special training on "production, education and research", and the training of key personnel. Our training programs and learning activities basically covered all employees to support their continuous growth and career development and provide a solid intellectual support for our development.

Knowledge System for Qualification and Certification

We created an integrated knowledge system for qualification and certification examinations that consisted of five elements, i.e., "test syllabus, teaching materials, question banks, exercises, and tutorials", to ensure that our employees could systematically develop and master the skills and knowledge required. Also, we organized qualification and certification examinations covering all employees to continuously improve the suitability and alignment between our employees and their posts by urging them to study through examination and post-certification education. In 2024, a total of 456.9 thousand person-times of employees participated in the examinations, with 95.9% of them successfully certified. Moreover, a total of 1,302.1 thousand person-times of certified employees took part in on-the-job study after their certification.

Supporting Employees to Obtain External Professional Certifications

We actively supported our employees to obtain professional qualification certificates at home and abroad, and encouraged them to continuously study and hone their professional competences. We supported our employees to obtain 50 professional qualification certificates issued by domestic or foreign institutions, covering such fields as economy and finance, accounting and audit, risk compliance, information technology, special business, comprehensive management, and security access.

Providing Tiered and Categorized Training for the Purpose of Serving Development Strategies

For mid-to-high level leaders. We organized five sessions of overseas training focused on international vision and strategic thinking, including one in Germany, two in Switzerland and two in Singapore, and trained 105 middle and senior leaders with international vision and professionals urgently needed in key core fields. In addition, we organized 12 sessions of per-category training to widen the macro vision and build the professional competence of our leadership in relevant fields and on relevant lines, including the duty performance training for directors and supervisors, the high-level training on financial and accounting management, the training on financial and accounting management for overseas institutions and those with consolidated financial statements, the training on capacity building for internal control and compliance management, the training for advanced management of corporate business, the training on high-quality development of institutional business, the "big wealth and strong retail" training for senior management, the special training for overseas institutions to improve the efficacy of their governance, and the training for high-level credit management personnel.

For operation and management personnel on the front line. In collaboration with educational institutions such as Renmin University of China, Shanghai Jiaotong University, Zhejiang University, Sun Yat-sen University, and Southwest University of Finance and Economics, among others, we delivered 44 joint training programs on inclusive finance and trained 3,650 vice presidents of tier-2 branches and tier-1 sub-branches to promote the development of our inclusive finance business. What's more, in cooperation with Zhejiang University, we held three special training sessions for cadres engaged in the one-on-one assistance program for cadres from 100 branches in the western region and 100 branches in the eastern region. The purpose was to guide them to fully play their role in serving rural revitalization on the front line.

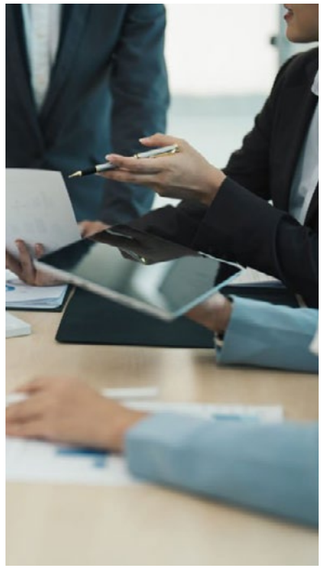
For outstanding young cadres. We reserved talents for each business line. We organized two training sessions for young and middle-aged cadres, two training sessions for financial operation and management (EMT), two training sessions on leadership improvement for 35-year-old cadres at the deputy department chief level, and three for newly appointed leaders at the department chief level. In partnership with Peking University, we held six training sessions for outstanding young employees to improve their competency through enhanced, targeted and hands-on training.Through systematic and practical trainings, we developed the leadership and management ability of young cadres, created a reserve of high-quality management personnel for our succession planning for the medium and long-term development of the Bank, and ensured a more reasonable tiered structure of the cadre teams.

For key business personnel. We held 14 training courses in Hong Kong, focusing on leaders of emerging businesses and industries. At the same time, we implemented the "Youth Training-Navigation Program", held training projects such as the "Training Camp for Key Young Business Personnel" and "Kunpeng Training Camp", and engaged over 0.2 million person-times of employees in learning, thereby strengthening the development of the young workforce. Moreover, we continued to carry out the learning and exchange activities with overseas institutions, which involved 11 overseas entities, lasted two months, and developed a pool of talents with international vision by "integrating work with training and replacing training with work". With respect to customer managers, we provided upward of 760 face-to-face training sessions for more than 66 thousand people and achieved the goal of training all such managers once every three years. Systematic and centralized training helped to improve the professional knowledge and business skills of our customer managers, enhance their ability to serve customers, and raised the level of customer satisfaction.

Other distinctive training activities. In 2024, we conducted 3,624 orientation activities for new employees to help them transition from graduates to employees as soon as possible. Throughout the year, 8 sessions of "Yueshu Academy", an online special training for female employees, were held, with over 2.15 million person-times of views. We continued to build a platform for job contribution and held 3,188 job competitions with 165 thousand person-times of participants.

Performance Appraisal

We established a scientific and reasonable performance management system for our employees to continuously improve their professional competence, career development, and work performance. According to the affiliation of institutions and the authority of employee management, we manage the performance of our employees by tier and category, and conduct performance appraisal against them on a regular basis. The content of such appraisal includes key performance indicators (KPIs), key competency index (KCI) and other dimensions. At the end of an appraisal cycle, we communicate with employees on their performance and get their feedbacks, helping them to improve. The results of performance appraisal were mainly used for salary distribution, promotion, training and development, evaluation of excellence and other aspects to promote the shared growth of the Bank and our employees.



Risk Management

In personnel management, we actively identified, evaluated and mitigated various risks related to employees, so as to enhance their satisfaction and loyalty, while maintaining the business stability and reputation of the Bank.

Labor Dispute

We established a labor dispute mediation committee, formulated the *Administrative Measures of Agricultural Bank of China for Labor Dispute Mediation*, and created compliant and effective mediation procedures, to provide our employees with effective means for grievance escalation.

Employee Turnover

We continued to strengthen workforce development, improved the career development planning and guidance for employees and the cultivation of their professional competence and literacy, and created a system of source training, follow-up training and whole-process training to help empower them on an ongoing basis. Meanwhile, we promoted the regulated and orderly flow of personnel, ensured that all employees fulfilled their potential and were suitable for their posts, and tried to retain people by winning their hearts. In short, we created a favorable environment for the personal development of employees to lower turnover rate.

Employee Satisfaction Survey

We conduct employee satisfaction survey annually among our employees with respect to employee care. In 2024, a total of 215 thousand valid questionnaires were taken back, and the survey results showed that on the whole, more than 90% of employees rated our employee care work as "satisfied". According to results of the survey, we formulated improvement measures to solve the problems of concern to our employees in a timely manner and to increase their satisfaction and loyalty.

215 thousad

number of valid questionnaires taken back in 2024

90 %

proportion of employees rated our employee care work as "satisfied" over

Indicators and Targets

For targets, please see the section "Social Issues - Employees - Strategy of Strengthening the Bank through Talents".

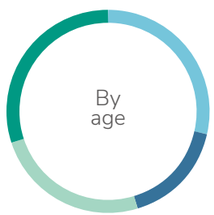
Employee Demographics (As of the End of 2024)

454,716

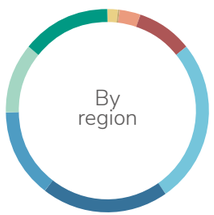
Total number of current employees

- Number of male employees: 243,815
- Number of female employees: 210,901

- Doctorate Degree: 634
- Master's Degree: 47,926
- Bachelor's Degree: 296,976
- Below Bachelor's Degree: 109,180



- 30 years old and below: 136,830
- 31-40 years old: 112,137
- 41-50 years old: 76,258
- 51 years old and above: 129,491



- Head Office: 15,018
- Yangtze River Delta: 64,929
- Pearl River Delta: 50,679
- Bohai Rim: 64,970
- Central Region: 91,386
- Northeastern Region: 40,897
- Western Region: 118,586
- Overseas Branches, Subsidiary Banks and Representative Offices: 820
- Subsidiaries with Integrated Operations and Rural Banks: 7,431

Jobs contributed to society	2024
Net increase in the number of employees	32,279

Gender proportion of campus recruitment	2024
Male	46.8%
Female	53.2%

Employee work-related injuries and deaths	2024
Number of work-related fatalities	20
Rate of work-related fatalities	0.004%
Number of workdays lost due to work-related injuries	50,647.50

Employee turnover	2024
Overall employee turnover rate	1.06%

Training

24 thousad

number of training sessions held

99.26%

employee training coverage rate

		Employee training coverage(%)	Average number of employee training hours (training hour)
By Gender	Male employees	99.1	147
	Female Employees	99.5	153
By employee category	Personnel of tier-2 branches and above	99.1	159
	Personnel of institutions below tier-2 branches	99.3	147

GOVERNANCE

ISSUES

- Anti-Commercial Bribery and Anti-Corruption
- Anti-Unfair Competition

Anti-Commercial Bribery and Anti-Corruption

Policy Development

The Bank continues to refine its regulations related to anti-corruption. We formulated the *Code of Conduct for Employees of the Agricultural Bank of China*, ensuring that employees understand and comply with it through ongoing education and training, thereby enhancing their professional ethics and operational efficiency. We also formulated the *Management Measures for Risk Prevention and Control of Criminal Cases*, defining the primary responsibilities of institutions at all levels for case prevention, and improving the full-chain prevention and control mechanism for case risks. We formulated relevant systems and normative documents such as the *Centralized Procurement Management Measures and the Centralized Procurement Operating Procedures*, clarifying anti-bribery and anti-corruption requirements in business processes. We formulated the *Measures for the Administration of Related Party Transactions*, the *Detailed Implementation Rules for the Administration of Related Party Transactions*, the *Measures for the Administration of the Behavior of Financial Market Business Transactions*, etc., and put the power under the constraints of the system.

Integrity Risk Prevention and Control Measures

We strengthened the integrity risk prevention and control mechanisms in key areas. Focusing on critical areas such as credit approval and disbursement, we conducted in-depth screenings for integrity risk points, addressed misconduct and corruption issues affecting the public, and stepped up special rectification efforts against improper dining, entertainment, as well as official receptions.

We intensified supervision and management over "key minorities" (referring to key leaders and employees). We strictly implemented the reporting system for personal matters of leaders and regulations on job rotation, duty avoidance, part-time job management, and private overseas trips, and regulated the business activities of the spouses and children of leaders, as well as their children's spouses. Through SMS, emails, meetings, and other means, we gave integrity reminders to "key minorities" during important holidays and critical timings.

We established a fair, honest, and highly efficient centralized procurement management system, ensuring that anti-corruption policies cover all centralized procurement projects and participating suppliers. During the supplier admission process, we incorporate conditions such as illegal and dishonest behavior, bribery and corruption, being banned from participating by the Bank, and specific related-party situations as prohibited conditions for bidding and procurement. To prevent collusive bidding among related suppliers, we require suppliers to sign integrity commitment letters. We strengthened communication and coordination with audit and supervision departments, took prohibitive measures against suppliers involved in collusion, bribery, or providing other improper benefits, and publicly disclosed such information to the society.

Overseas institutions and subsidiaries faithfully fulfilled their compliance responsibilities, managing and controlling various risks such as compliance, integrity, anti-money laundering, and sanctions.

Whistleblower Protection

The Bank safeguards employees' rights and interests and standardizes the order of complaint handling in accordance with the law. We provide smooth channels for whistleblowing, listen to employees' opinions, accept their supervision, and implement strict confidentiality measures for complaints, whistleblowing, and other matters received through complaint channels, striving to create a fair, transparent, and harmonious work environment.

The Bank formulated the *Working Rules for Handling Letters from the Masses of the Agricultural Bank of China*, the *Working Rules for Receiving Visitors from the Masses of the Agricultural Bank of China*, the *Rules for Supervision and Urgent Handling of Complaints and Appeals of the Agricultural Bank of China*, and the *Detailed Rules for Implementing the Responsibility System for Complaints and Appeals Work of the Agricultural Bank of China*, clarifying the procedures, standards, time limits, and responsibilities for various links such as registration, acceptance, handling, and supervision. In 2024, the Bank further enhanced the standardization and normalization of complaint handling through self-examination and self-correction, spot checks and supervision, quantitative scoring, and other methods, facilitating the resolution of complaints from their sources. Whistleblowing-related complaints were forwarded to relevant departments for proper handling in accordance with laws and regulations, which helped effectively safeguard the legitimate rights and interests of whistleblowers.

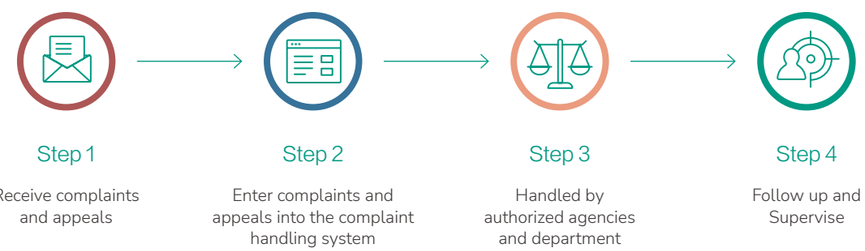
The Bank has incorporated complaint handling discipline and confidentiality management as key contents of complaint handling training, specifying the confidentiality requirements throughout the entire process of complaint handling to strengthen the confidentiality awareness and responsibilities of complaint handling staff, and effectively protect sensitive information such as whistleblowers and their complaints.

The Bank has achieved digital management of complaint handling. Users of the complaint handling management IT system are managed through a list system, distinguished by region, organizational level, job position, etc. Different permissions such as system entry, inquiry, handling, and supervision are assigned to complaint handling staff, with dynamic adjustments implemented. Non-complaint handling staff cannot access information about complainants, the content of complaints, or handling processes through the complaint handling management information system.

Measures for Whistleblower Protection

- No organization or individual shall discriminate against, suppress, persecute, or retaliate against whistleblowers.
- Complaint handling staff who have a direct interest in the matter or the whistleblower must recuse themselves.
- Gifts, cash, or securities from whistleblowers shall not be accepted.
- Complaint handling personnel shall strictly comply with confidentiality regulations concerning the whistleblower's name, workplace, home address, and the content of the complaint.
- The content of letters shall not be disclosed to unrelated personnel, and letters shall not be taken out of the organization without authorization.
- The whistleblower's accusations, revelations, and related information shall not be disclosed or transferred to the persons or units being accused or revealed.
- Whistleblowing statistics and other data shall not be provided externally without approval.

Whistleblowing Handling Process



Anti–Money Laundering (AML)

The Bank thoroughly implements the guidelines of the Central Financial Work Conference, the "Three Anti-" (anti-money laundering, anti-terrorist financing, and anti-tax evasion) work plan, and AML regulatory requirements. We strictly comply with relevant national AML laws and regulations, as well as industry guidelines issued by regulatory authorities such as the People's Bank of China, continuously cementing the foundation for managing money laundering risks across the Bank.

We continued to optimize our customer due diligence system and customer money laundering risk rating model, promote streamlined due diligence processes for specific customer groups, and enhance our capabilities to identify and manage customer money laundering risks. We stepped up efforts to monitor large-value transactions and suspicious transactions, with ongoing enhancements to the full-lifecycle management of suspicious transaction monitoring models. We continued to upgrade intelligent tools and methodologies to improve the timeliness and effectiveness of suspicious transaction monitoring. We made steady progress in establishing an AML risk assessment system and optimized the risk assessment methodologies and indicator frameworks in an all-round manner. We continued to accumulate data related to AML risk assessments and conducted rigorous routine AML risk assessments for products and channels.

In 2024, the Bank organized over 13 thousand AML training sessions, covering one million person-times of employees and spanning across the Head Office, tier-1 branches, overseas institutions, comprehensive business subsidiaries, new recruits, and AML personnel at all levels. The training contents include the interpretation of the latest regulatory policies on AML, suspicious transaction monitoring, customer due diligence, money laundering risk prevention and control, and key job responsibilities.

13 thousand+

number of AML training sessions held

1 million

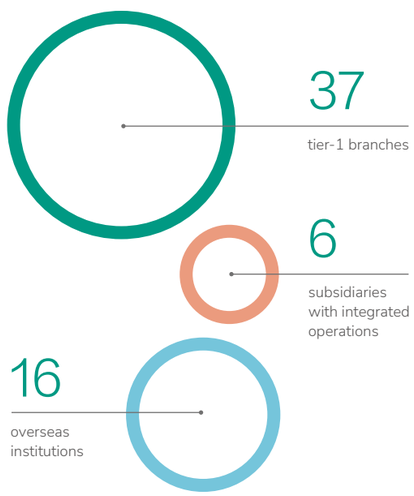
person-times of employees covered by AML training

Audit Supervision

The Bank formulated regulations such as the *Audit Measures for Economic Responsibility of Leaders*, the *Basic Norms for Anti-Money Laundering Work*, and the *Basic Regulation on Operational Risk Management*, to strengthen audit of ethical standards in such areas as the economic responsibility of leaders, operational risks, employee behavior, and anti-money laundering, and conducted special audits on a regular basis. During these audits, we pay close attention to clues related to business ethics and employee behavior, which is timely transferred to related departments.

The Bank adheres to the principle of covering both "major categories of institutions" and "core businesses" in its audit work, ensuring institutions are audited every three years, including 37 tier-1 branches, 6 comprehensive operating subsidiaries, and 16 overseas institutions. Through comprehensive audits such as risk management audit and special audits on anti-money laundering and operational risks, we have achieved full coverage of audit matters required by regulators and major business segments. In 2024, the Bank conducted 56 in-office and post-departure economic responsibility audit projects, covering one department in the Head Office, 24 domestic branches, 9 overseas branches, and two subsidiaries with integrated operations; special audits on operational risks for two departments in the Head Office and eight domestic branches; special audits on anti-money laundering for five departments in the Head Office, nine domestic branches, and one comprehensive operating subsidiary; and special audits on consumer protection for seven domestic branches.

Audit coverage every three years



Training and Cultural Development

Integrity Culture Development: The Bank designated Year 2024 as the "Year of Enhancement" for integrity culture. We formulated an implementation plan, outlining related objectives, activities, and requirements. We organized various campaigns across the Bank, including themed educational activities on red financial culture , collecting letters of integrity from employees' families, and collecting micro-courses on integrity culture. We gave full play to the roles of the CPC committee and the Youth League to integrate integrity culture into the overall strategy of party conduct and discipline as well as anti-corruption efforts.

Training on Integrity and Compliance: In 2024, we conducted 94 thousand compliance presentations, warning educations, and integrity and compliance training sessions, engaging 5.52 million person-times of trainees and achieving full coverage of all institutions, directors, management, and staff within the Bank. To strengthen education on party conduct and discipline, we organized special training on comprehensively strengthening party discipline, and provided tiered and classified training for party cadres in branches. In 2024, the Head Office organized training on comprehensively strengthening party discipline and party conduct and discipline for over 1,700 party cadres from 51 directly-administered units, extending the training to party secretaries of tier-2 branches through a penetrating approach. We also organized institutions at all levels and lines to extensively carry out 13 thousand compliance culture trainings on *the Employee Code of Conduct*, with 0.56 million person-times of employees participating. New employee training programs provide special courses on Interpretation of the Regulations of the Communist Party of China on Disciplinary Sanctions and Integrity Warning Education, the Agricultural Bank of China's Employee Code of Conduct and Violations Handling Measures. The *New Employee Orientation Manual* includes the *Guidelines for the Conduct Management of Bank Employees*, alongside the Bank's *Employee Code of Conduct* and *Employee Violations Handling Measures*. The Bank's anti-corruption policy is extended to suppliers, with ongoing supervision, inspection, and ethics training. Suppliers are required to sign integrity commitment letters, and risk reminders are sent to problematic suppliers in a timely manner, with follow-up on the progress of rectification.

94 thousand

number of compliance presentations, warning educations, and integrity and compliance training sessions

5.52 million

person-times of trainees

13 thousand

number of compliance culture training sessions on the *Employee Code of Conduct*

0.56 million

person-times of employees participating in the compliance culture training

Note: For more information, including the number of corruption litigation cases, please visit the official websites of the Central Commission for Discipline Inspection and the National Supervisory Commission.

Anti–Unfair Competition

The Bank formulated the *Branding Management Measures* and the *Guidelines on Advertising (Trial)*, which specify requirements for advertisement management, intellectual property protection, and risk prevention. These regulations aim to ensure that advertising content is objective, truthful, fair and just, and prevent false and deceptive advertising. Special emphasis is placed on accurately and clearly presenting basic information about financial products or services while prominently disclosing risks, to avoid exaggerating facts and misleading consumers, thereby maximizing the protection of consumers' legitimate rights and interests.

Based on the criteria for material matters outlined in the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange for Shares*, no lawsuits or significant administrative penalties were identified against the Bank arising from unfair competition practices.

Honors and Awards

Comprehensive

Given by	Honors and Awards
China Association for Public Companies	Best Practice for Sustainable Development of Listed Companies 2024
	Research on the Sustainable Development of Commercial Banks in the Process of Chinese Modernization rated by China Association for Public Companies as A Key Research Outcome of 2023
China Banking Association	Outstanding Achievement Award for China Banking Industry Development Research
China Media Group, China Enterprise Reform and Development Society	ESG Model and Demonstrator
	Excellent ESG Practitioner 2024
China Media Group, in partnership with the State-owned Assets Supervision and Administration Commission of the State Council, the All-China Federation of Industry and Commerce, Institute of Economics, Chinese Academy of Social Sciences, and China Enterprise Reform and Development Society	Top 30 Listed Companies in the Financial Sector of China ESG
China Media Group	Role Model of the Year for Finance Enabling High-quality Development
People's Daily	High-quality Financial Development Case
Brand Finance	Top 1 on the Global Retail Bank Brand Value List 2024
China Banking and Insurance News	Top 20 bank for overall ESG performance rated at the AAAA level
	ESG Brand Building Case
Caijing Magazine	Sustainable Development Benefits Award
Fortune Magazine	China ESG Influence List
Retail Banking	Best Retail Bank Award
National Business Daily	Outstanding Retail Bank of the Year, the 15th Golden Cauldron Award
Southern Weekly	ESG Competitive Enterprise of the Year
cailianpress.com	ESG Financial Award of the Year
Institute of Finance and Economics of people.cn	Innovative Practice for Building a Financial Power 2024
China Securitization Forum	Top 10 Project of the Year for Corporate Asset Securitization on the Inter-bank Market
	Champion Project of the Year for Corporate Asset Securitization on the Inter-bank Market
JRJ.com	Outstanding Retail Bank Award for Golden Wisdom Award
caishiv.com	Outstanding Fee Right ABN Products, Jiefu Asset Securitization Award

Environmental

Given by	Honors and Awards
China Banking Association	Green Bank Evaluation Advanced Unit
Beijing Municipal Health Commission,Beijing Municipal Office for Healthy Lifestyle Promotion	Healthy Workplace under Beijing Municipal Healthy Lifestyle Promotion Campaign
Beijing Urban Environmental Development Committee	Model for Beijing Urban Environmental Development Management
International Finance Forum (IFF)	Global Green Finance Award-annual
Southern Weekly	Dual Carbon Action Enterprise of the Year
	TOP1 bank on the Green Finance Ranking
China Times	Outstanding Financial Institution that Empowers the Green Industry 2024
Modern Bankers (sponsor), CAF100 (organizer)	Dangjin Cup Dual Carbon Service Award for Best Asset Securitization Services 2023
cailianpress.com	Green Water and Gold Mountain Award
China International Fair for Trade in Services	Green Development Services Demonstration Case
Green Finance 60 (GF60)	GF60-Best Financial Institution 2024
Guangdong, Hong Kong and Macao Greater Bay Area Green Finance Alliance	Pioneer Award for Excellent Cases (awarded to the Hong Kong Branch)
Hong Kong Quality Assurance Agency	Outstanding Green and Sustainable Bond Lead Manager
	Outstanding Green and Sustainable Loan Issuer
	Outstanding Green and Sustainable Bond Issuer
China Chengxin Green Finance International Co., Ltd. (CCXGFI) and Hong Kong ESG Reporting Awards (HERA)	CCXGFI-HERA Outstanding Advisor for Sustainable Financial Structure

Social

Given by	Honors and Awards
People's Bank of China	Fintech Development Award
National Development and Reform Commission	National Typical Case of Contributing to Rural Revitalization through Consumer Assistance
Ministry of Agriculture and Rural Affairs	Case for the Ten Models of Supporting Agriculture through Finance
International Poverty Reduction Center in China, China Internet Information Center, World Bank, Food and Agriculture Organization of the United Nations	Global Best Case for Poverty Reduction
China Enterprise Reform and Development Society, Responsibility Cloud Research Institute	Responsible Brand
The Economic Observer	Outstanding Financial Enterprise 2024 Outstanding Inclusive Financial Bank of the Year
Shanghai Securities News	Socially Responsible Enterprise of the Year
China Times	Top 10 influential pro bono enterprises of the year in China
The Asset	China Offshore Best Sustainability-linked Loan (Health Sector)
	Best Digital Wealth Management Experience Award
Modern Bankers (sponsor), CAF100 (organizer)	Dangjin Cup Rural Revitalization Award for Best Asset Securitization Services 2023
Southern Weekly	Outstanding Responsible Enterprise of the Year
	TOP1 bank on the Inclusive Finance Ranking as part of the 2024 New Financial Competitiveness Ranking
The Chinese Banker	Outstanding Case of the Year 2024 for Innovation of Inclusive Financial Services
Xinhua News Agency, Shanghai Institution for Finance & Development	Case collected by the Blue Paper on Responsible Finance (2023)
china.com.cn	Outstanding Consumer Protection Case of the Financial Sector, 2024 China Cauldron Award
Hexun Finance	Responsible Bank for Rural Revitalization Award

Social

Given by	Honors and Awards
finance.sina.cn	Best Bank of the Year for Consumer Protection
	Outstanding Financial Institution for Consumer Protection
	Award-winning institution for outstanding cases of credit card consumer protection
	Award-winning institution for outstanding cases of providing convenient services for the elderly
	Award-winning institution for outstanding cases of insurance compensation
	Top 1 on the Red List of businesses cited for consumer protection on 3/15 the 2024 World Consumer Rights Day
CFMC	Digital Finance Innovation Case
The Paper	Quality Bank for Tech Finance
np.58.com	Best new-generation employer for college graduates 2024
21st Century Financial Research Institute of Southern Finance Omnimedia Group	National Typical Case of Inclusive Finance 2024

Governance

Given by	Honors and Awards
Shanghai Stock Exchange	Rated A, the highest grade, by Shanghai Stock Exchange in the annual information disclosure appraisal
China Association for Public Companies	2024 Best Practices for Listed Company Boards of Directors
	2023 Best Practices for Annual Results Announcement
China Corporate Governance 50 Forum	2024 TOP 100 Listed Companies for Minority Investor Rights Protection
finance.sina.cn	Award-winning institution for outstanding anti-money laundering cases

ESG Data

The financial data and indicators contained in this report are prepared in accordance with People's Republic of China Generally Accepted Accounting Principles, and are denominated in RMB.

Indicators	Unit	2024
Economic performance indicators		
Total assets	RMB 100 million	432,381.35
Total loans and advances to customers	RMB 100 million	249,061.87
Non-performing loan ratio	%	1.30
Capital adequacy ratio	%	18.19
Net profit	RMB 100 million	2,826.71
Return on average total assets	%	0.68
Return on weighted average net assets	%	10.46
Total tax paid	RMB 100 million	1,182.40
Shareholders' equity	RMB 100 million	30,972.73
Shareholders' dividends	RMB 100 million	846.61
Social contribution value per share	RMB	3.53

Notes:

1. Total assets (RMB 100 million): Total assets is the book value of total assets in the Group's consolidated financial statements as of the end of the reporting period.
2. Total loans and advances to customers (RMB 100 million): Total loans and advances to customers represent the gross amount of loans and advances issued in the Group's consolidated financial statements as of the end of the reporting period.
3. Non-performing loan ratio (%): Non-performing loan ratio is calculated by dividing the balance of nonperforming loans (excluding accrued interests) by the total loans and advances to customers (excluding accrued interests).
4. Capital adequacy ratio (%): The capital adequacy ratio is calculated in accordance with the *Capital Rules for Commercial Banks* and other relevant regulations.
5. Net profit (RMB 100 million): Net profit is the amount of net profit in the consolidated income statement of the Group for the reporting period.
6. Return on average total assets (%): Return on average total assets is calculated by dividing net profit by the average balances of total assets at the beginning and the end of the period.
7. Return on weighted average net assets (%): Return on weighted average net assets is calculated in accordance with the *Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 – Computation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision)* issued by the CSRC.
8. Total tax paid (RMB 100 million): Total tax equals the total of corporate income tax, value-added tax and other taxes actually paid by the Group for the year.
9. Shareholders' equity (RMB 100 million): Shareholders' equity represents the total amount of total equity attributable to equity holders of the Bank and non-controlling interests in the consolidated financial statements as of the end of the reporting period.
10. Shareholders' dividends (RMB 100 million): Shareholders' dividends represents dividends of ordinary shareholders for the year (tax included).
11. Social contribution value per share (RMB): Social contribution per share = basic earnings per share + (Total tax+ employee compensation and benefits + interest expense + donations to external parties) /share capital in accordance with PRC GAAP.

Indicators	Unit	2024
Environmental performance indicators		
Greenhouse gas (GHG) emissions		
Total GHG emissions (Scope 1 and Scope 2)	MT CO_2e	2,138,909.92
GHG emissions per capita (Scope 1 and Scope 2)	MT CO_2e per capita	4.61
Scope 1 GHG emissions	MT CO_2e	165,275.90
Emissions from stationary sources	MT CO_2e	80,557.61
Emissions from mobile sources	MT CO_2e	84,718.29
Scope 2 GHG emissions	MT CO_2e	1,973,634.02
Scope 3 GHG emissions	MT CO_2e	4,049.06
Emissions from municipal water use	MT CO_2e	4,049.06
Green Finance		
Balance of green credit	RMB trillion	4.97
Equivalent annual saving of standard coal	10,000 tons	6,199
Equivalent annual reduction in carbon dioxide	10,000 tons	14,833
Equivalent annual water saving	10,000 tons	16,429
Equivalent annual reduction in nitrogen oxides emissions	10,000 tons	223
Equivalent annual reduction in sulfur dioxide emissions	10,000 tons	340
Equivalent annual reduction in chemical oxygen demand	10,000 tons	23
Equivalent annual emission reduction in ammonia nitrogen	10,000 tons	3
Balance of green bonds invested for our own account	RMB 100 million	1,656
Underwriting size of green bonds (including carbon neutrality bonds)	RMB 100 million	324

12. The accounting methods and criteria for Scope 1, Scope 2, and Scope 3 emissions are outlined in the section "Climate Change Tackling - Climate-related Metrics and Targets" of this Report.
13. Balance of green credit (RMB trillion): The balance of green credit is calculated according to the green financing caliber set by the NFRA in 2020.
14. Balance of green bonds invested for our own account (RMB 100 million): The balance of green bonds invested from our own account refers to the balance of green bonds invested by non-financial institutions and financial institutions under the criteria of the NFRA.
15. Underwriting size of green bonds (including Carbon-Neutral Bonds) (RMB 100 million): The underwriting size of green bonds (including carbon-neutral bonds) refers to the number of bond issues underwritten by the Bank, as well as the total amount raised through these issues, where the proceeds are exclusively allocated to finance or refinance projects that meet the requirements of *the Green Bond Endorsed Projects Catalogue (2021 Edition)*.

Indicators	Unit	2024
Air pollutants		
Nitrogen oxide emissions	kg	203.87
Sulfur dioxide emissions	kg	29.72
Carbon monoxide emissions	kg	5,516.49
Particulate matter emissions	kg	71.95
Waste		
Total amount of hazardous waste	ton	164.88
Discarded toner cartridge	ton	24.90
Discarded lead-acid batteries	ton	106.68
Discarded fluorescent lamp	ton	33.30
Total volume of non-hazardous waste	ton	591.21
Computer (mainframe) scrap	ton	61.58
Monitor scrap	ton	18.00
Laptop scrap	ton	7.42
Printer scrap	ton	39.03
Server scrap	ton	24.52
Discarded dry batteries	ton	3.15
Office paper	ton	437.51

16. Nitrogen oxide, sulfur dioxide, carbon monoxide, particulate matter emissions (kg): The emissions of nitrogen oxide, sulfur dioxide, carbon monoxide, and particulate matter are calculated based on the *Technical Guidelines for Road Motor Vehicle Air Pollution Emission Inventory Preparation (Trial)* and the Euro V standard, with emissions calculated from the mileage of official vehicles (kilometers) and total fuel consumption (liters). The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.
17. Total hazardous waste includes discarded toner cartridges, discarded lead-acid batteries, and discarded fluorescent lamps. The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.
18. Total non-hazardous waste includes computers (mainframes) scrap, monitors scrap, laptop scrap, printers scrap, servers scrap, discarded dry batteries and office paper. The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.

Indicators	Unit	2024
Resource utilization		
Comprehensive energy consumption	ton of standard coal	541,519.14
Comprehensive energy consumption per capita	ton of standard coal per capita	1.17
Total direct energy consumption	ton of standard coal	82,965.78
Direct energy consumption per capita	ton of standard coal per capita	0.18
Natural gas	cubic meter	24,962,601.52
Gasoline	Liter	38,291,601.03
Diesel	Liter	1,422,447.05
Liquefied petroleum gas	ton	790.82
Coal	ton	7,648.86
Total indirect energy consumption	ton of standard coal	458,553.36
Indirect energy consumption per capita	ton of standard coal per capita	0.99
Electricity	MW·h	3,084,408.409
Purchased heat	MkJ	2,329,412.90
Total water consumption	ton	31,146,613.64
Water consumption per capita	ton per capita	67.15

19. Comprehensive energy consumption (ton of standard coal): The primary energy consumption of the Bank consists of natural gas, liquefied petroleum gas, gasoline, diesel, purchased electricity, and purchased thermal energy. Comprehensive energy consumption = natural gas consumption * standard coal conversion factor + gasoline consumption * standard coal conversion factor + diesel consumption * standard coal conversion factor + electricity consumption * standard coal conversion factor + thermal energy (e.g., steam) consumption * standard coal conversion factor + other types of energy consumption (converted to standard coal). The scope of electricity, gasoline, and diesel consumption data covers mobile source consumption and stationary source consumption. Energy consumption data is calculated based on electricity and fuel consumption and the conversion factors provided in the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020). The calculation is at the Group level. The per capita data is calculated based on the actual payroll headcount of each institution at the time of carbon accounting.
20. Total water consumption (ton): The scope of water consumption statistics covers municipal water use at the Group level. The per capita data is calculated based on the actual payroll headcount of each institution at the time of carbon accounting.

Indicators	Unit	2024
Social performance indicators		
Employment		
Total number of employees	-	454,716
Number of employees by gender		
Male employees	-	243,815
Female employees	-	210,901
Number of employees by age		
30 years old and below	-	136,830
31-40 years old	-	112,137
41-50 years old	-	76,258
51 years old and above	-	129,491
Number of employees by region		
Head Office	-	15,018
Yangtze River Delta	-	64,929
Pearl River Delta	-	50,679
Bohai Rim	-	64,970
Central Region	-	91,386
Northeastern Region	-	40,897
Western Region	-	118,586
Overseas branches, subsidiary banks and representative offices	-	820
Subsidiaries with integrated operations and rural banks	-	7,431

21. Total number of employees (person): Total number of employees refers to the total number of employees with labor contracts within the Group, including domestic institutions, overseas branches, subsidiary banks and representative offices, subsidiaries with integrated operations and rural banks, excluding labor dispatch.
22. Number of employees by gender (person): Number of male employees refers to male regular employees who have signed formal contracts with the Bank as of the end of the reporting period; number of female employees refers to the female regular employees who have signed formal contracts with the Bank as of the end of the reporting period. Gender information is based on the employee's official identification.
23. Number of employees by age (person): As of the end of the reporting period, the number of employees of all age categories in the Bank's regular employees who signed formal contracts with the Bank. Age information is based on the employee's official identification.

Indicators	Unit	2024
Number of employees by education background		
Doctorate degree	-	634
Master's degree	-	47,926
Bachelor's degree	-	296,976
Below bachelor's degree	-	109,180
Gender proportion of campus recruitment		
Male	%	46.8
Female	%	53.2
Turnover		
Overall employee turnover rate	%	1.06
Employee work-related injuries and deaths		
Number of work-related fatalities	-	20
Rate of work-related fatalities	%	0.004
Number of workdays lost due to work-related injuries	day	50,647.50
Training		
Employee training coveragerate rate	%	99.26
Gender proportion of employee training coverage		
Male employees	%	99.1
Female employees	%	99.5

24. Proportion of gender in campus recruitment (%): Male (Female) Percentage of Campus Recruitment Hires = Number of Male (Female) Employees Hired Through Campus Recruitment / Total Number of Campus Recruits.
25. Overall employee turnover rate=number of employees who voluntarily quit (resign) in the current year/number of employees at the end of last year (formal contract). Among them, the employees who voluntarily resigned (resigned) in the current year refer to the total number of employees who voluntarily resigned (resigned) with labor contracts within the scope of the Agricultural Bank of China Group, including all employees who voluntarily resigned (resigned) from domestic institutions, overseas branches and representative offices, integrated operation subsidiaries and village banks.
26. Number of work-related fatalities (person) : Number of work-related fatalities in the domestic institutions of the Bank recognized under national and local government regulations and policies.
27. Number of workdays lost due to work-related injuries (day): Number of workdays lost due to work-related injuries in the domestic institutions of the Bank recognized under national and local government regulations and policies.
28. Employee training coverage rate (%): Ratio of employees at all levels who actually participated in off-job training and online learning to the total number of on-duty employees across all categories and levels.

Indicators	Unit	2024
Training coverage by employee category		
Personnel of tier-2 branches and above	%	99.1
Personnel of institutions below the tier-2 branches	%	99.3
Average hours of employee training by gender		
Male employees	training hour	147
Female employees	training hour	153
Average hours of employee training by employee category		
Personnel of tier-2 branches and above	training hour	159
Personnel of institutions below the tier-2 branches	training hour	147
Supply Chain Management		
Total number of suppliers	-	13,491
Number of suppliers by region		
Yangtze River Delta	-	2,038
Pearl River Delta	-	1,802
Bohai Rim	-	2,890
Central Region	-	2,367
Western Region	-	3,511
Northeastern Region	-	873
Overseas and others	-	10

29. Total number of suppliers: The number of suppliers fulfilling contracts with the Head Office and domestic branches in 2024.
30. Number of suppliers by region: Regionally divide the performance supplier of the Head Office and domestic branches in 2024. The number of supplier registered in the Yangtze River Delta, the Pearl River Delta, the Bohai Rim, the Central Region, the Western Region, the Northeastern Region, overseas and other supplier is counted according to their registered places.

Indicators	Unit	2024
Consumer interests protection		
Number of consumer complaints	10 thousand	27.9
Complaint resolution rate	%	100
Service channel construction		
Number of outlets in China	10 thousand	2.26
Number of outlets in County Areas	10 thousand	1.27
Number of registered retail mobile banking users	100 million	5.61
Number of monthly active users of retail mobile banking	100 million	2.50
Number of off-premise self-service banks	10 thousand	0.39
Total number of cash self-service devices	10 thousand	5.28
Number of outlets with wheelchair ramps	10 thousand	1.9
Number of outlets in the "ABC Considerate Warm Space"	10 thousand	2.2

31. Number of consumer complaints (10 thousand): Including regulatory complaints, customer service complaints, site complaints from outlets, etc. In order to reflect the actual situation of customer complaints, the number of consumer complaints in this report has excluded repeated complaints, as well as complaints related to the "card breaking action" launched to crack down on new types of illegal crimes in telecommunications networks.
32. Complaint resolution rate (%): Complaint resolution rate=number of resolved complaints from all channels÷ total number of complaints from all channels × 100%.
33. Number of outlets in China (10 thousand): As of the end of the reporting period, the number of licensed business outlets within the Chinese mainland operated by the Bank. Refer to the *Basic Requirements for Bank Business Outlets Services* (GB/T 32320-2015).
34. Number of outlets in County Areas (10 thousand): As of the end of the reporting period, the Bank had 2,048 tier-1 sub-branches and its subordinate business outlets (referring to second-level sub-branches, offices, branch offices and savings banks with independent business licenses) and 21 tier-2 branches located at the county-level under the jurisdiction of the County Area Banking Division, covering 2,003 established counties and county-level cities (including county towns and subordinate townships).
35. Number of off-premise self-service banks (10 thousand): As of the end of the reporting period, the number of self-service outlets independent from manual business outlets within the Chinese mainland. Refer to *Basic Requirements for Bank Business Outlets Services* (GB/T 32320-2015) and the *Self-service Bank Outlets Service Requirements* (GB/T 41461-2022).
36. Total number of cash self-service devices (10 thousand): As of the end reporting period, the number of ATMs (Automatic Teller Machines) and CRS (Cash Recycling Machines) within the Chinese mainland. Refer to the *Bank Card ATM Terminal Technical Specifications* (JR/T 0002-2016).
37. Number of outlets with wheelchair ramps (10 thousand): As of the end reporting period, the number of outlets within the Chinese mainland equipped with wheelchair ramps (including those with flat ground, where no ramp is needed). Refer to the *Bank Business Outlets Accessibility Construction Specifications* (GB/T 41218-2021).
38. Number of outlets in the "ABC Considerate Warm Space" (10 thousand): As of the end of the reporting period, the number of outlets within the Chinese mainland displaying the "ABC Considerate Warm Space" service brand. Refer to the *Notice on the Promotion of the "ABC Considerate Warm Space" Service Brand*.

Indicators	Unit	2024
Rural revitalization		
Balance of loans to County Areas	RMB trillion	9.85
Balance of "Huinong e-loan"	RMB 100 million	14,940
Balance of loans for sufficient supply of food and major agricultural products	RMB 100 million	10,024
Balance of loans for rural industries	RMB trillion	2.23
Balance of loans for rural construction	RMB trillion	2.25
Balance of loans to 832 counties lifted out of poverty	RMB trillion	2.27
Balance of loans to 160 key counties receiving assistance in pursuing rural revitalization	RMB 100 million	4,366
Number of counties (districts) covered by the "ABC Huinongyun" platform	-	2,657
Number of institutions registered on the "ABC Huinongyun" platform	10 thousand	26.4
Inclusive Finance		
Balance of loans to inclusive finance	RMB trillion	4.66
Balance of inclusive loans to small and micro enterprises	RMB trillion	3.23

39. Balance of loans to County Areas (RMB trillion): The balance of loans to County Areas issued by Agricultural Bank of China through all operating institutions of the County Area Banking Division.
40. Balance of "Huinong e-loan" (RMB 100 million): "Huinong e-loan" is a farmer loan brand created by the Agricultural Bank of China for farmers by combining online and offline methods, specifically including "Huinong e-loan" (white list), "Huinong e-loan" (mortgage), farmers' micro loans, rural personal production and operation loans, farmers' housing purchase and construction loans, etc., accepted through mobile operating equipment, and Huinong e-loan, which is handled by customers through the Internet.
41. Balance of loans to 832 counties lifted out of poverty (RMB trillion): The total amount of loans and advances granted by Agricultural Bank of China Limited through all operating institutions located in 832 poverty alleviation counties.
42. Balance of loans to 160 key counties receiving assistance in pursuing rural revitalization (RMB 100 million): The total amount of loans and advances granted by Agricultural Bank of China Limited through all operating institutions located in 160 key counties for rural revitalization.
43. Number of counties (districts) covered by the "ABC Huinongyun" platform (individual): The number of counties (districts) involved in the location of the "ABC cloud" platform customers of Agricultural Bank of China Limited.
44. The number of institutions registered on the "ABC Huinongyun" platform (10 thousand): The number of institutions registered as "ABC cloud" platform customers of Agricultural Bank of China Limited and using cloud platform related service functions.
45. Balance of loans to inclusive finance (RMB trillion): Inclusive finance loans include loans to small and micro enterprises with a single credit amount of less than RMB 10 million, loans for individual business operations, loans for small business owners, loans for farmers' production, consumer loans for registered poverty-stricken people, entrepreneurial guarantee loans, and student loans in accordance with PBOC caliber.
46. Balance of inclusive loans to small and micro enterprises (RMB trillion): According to *the Notice by the General Office of the China Banking and Insurance Regulatory Commission Regarding Increasing Efforts to Improve the Quality of Financial Services for Micro and Small-sized Enterprises in 2023* (No. 42 [2023] of the General Office of the China Banking and Insurance Regulatory Commission), the regulatory scope of inclusive loans to small and micro enterprises refers to loans for small enterprise legal entities with a single credit amount of RMB 10 million or less, as well as loans for individual businesses and small business owners with a single credit amount of RMB 10 million or less. Inclusive loans to small and micro enterprises do not include data related to bill discounting or rediscounting.

Indicators	Unit	2024
Philanthropy and Volunteer Activities		
Donations to external parties	RMB 10 thousand	11,689
Number of youth volunteers	10 thousand	6.3
Number of youth volunteer teams	-	3,751
Accumulated service hours for public welfare activities	10 thousand hours	13.2
Number of public welfare activities	10 thousand	1.2
Innovation-driven		
Total investment in information technology	RMB 100 million	249.7
The proportion of total investment in information technology in operating income	%	3.5
Total number of technology and digital operation management personnel	-	27,561
The proportion of technology and digital operation management personnel in the total number of personnel	%	6.1
Number of authorized invention patents	-	534

47. Donations to external parties (RMB 10 thousand): Donations to external parties refer to the total amount of public welfare donations made by the domestic branches of the Bank (limited to domestic donations) (excluding employee contributions). Public welfare donations refer to donations made for public welfare activities as defined by the *Law of the People's Republic of China on Donations for Public Welfare*.
48. Number of youth volunteers (10 thousand), number of volunteer teams, total volunteer service hours (10 thousand), and number of volunteer activities (10 thousand). The statistics include 37 tier-1 branches, 3 training institutes, 6 subsidiaries with established youth organizations, the Head Office, Shanghai Management Department, research and development center, and remote banking center.
49. Number of authorized invention patents: According to *Article 3 of the Patent Law of the People's Republic of China*, the patent administration department under the State Council is responsible for managing the national patent work, including the uniform acceptance and review of patent applications and granting of patents in accordance with the law. The Number of authorized invention patents during the reporting period refers to the number of patents granted by the patent administration department under the State Council to the Bank.

Index of the Guidelines and Standards

Index of *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*

Disclosure Requirements	Corresponding Section of This Report
Climate change tackling	P24-47
Pollutant discharge	P48
Waste disposal	P49
Ecosystem and biodiversity protection	P50-51
Environmental compliance management	P51
Energy usage	P52-53
Usage of water resources	P53
Circular economy	P53
Rural revitalization	P56-63
Contributions to the society	P69-72
Innovation-driven	P73-75
Ethics of science and technology	P75
Supply chain security	P76-77
Equal treatment to small and medium-sized enterprises	P78
Safety and quality of products and services	P78-84
Data security and customer privacy protection	P85-89
Employees	P90-95
Due diligence	P12-13
Communications with stakeholders	P12-13
Anti-commercial bribery and anti-corruption	P98-101
Anti- unfair competition	P101

Index of HKEX's *Environmental, Social and Governance Reporting Code*

Subject Areas, Aspects, General Disclosures and KPIs			Corresponding Section of This Report
Part C: "Comply or explain" Provisions			
A. Environmental			
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.		P42-49
	KPI A1.1	The types of emissions and respective emissions data.	P42-48, P107, P108
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P49, P108
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P49, P108
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	P48
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P49
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw material Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		P52-53
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P52-53, P109
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P53, P109
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P52-53
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P53
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applied
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.		P24-53
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P24-53

Subject Areas, Aspects, General Disclosures and KPIs			Corresponding Section of This Report
B. Social			
Employment and Labour Practices			
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		P90-95
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P94-95
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P95
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		P91
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P95
	KPI B2.2	Lost days due to work injury.	P95
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P90-94
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		P92-93
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P94-95
	KPI B3.2	The average training hours completed per employee by gender and employee category.	P94-95
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		P90
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	P90
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	P90-94

Subject Areas, Aspects, General Disclosures and KPIs			Corresponding Section of This Report
Operating Practices			
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		P32-33, P76-77
	KPI B5.1	Number of suppliers by geographical region.	P76, P112
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P76-77, P98
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P76-77
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P32-33
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		P78-89
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applied
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P82-84
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	P75, P81, P101
	KPI B6.4	Description of quality assurance process and recall procedures.	Not applied
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P85-89
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		P98-101
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P101
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P98-101
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	P101

Subject Areas, Aspects, General Disclosures and KPIs			Corresponding Section of This Report
Community			
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		P56-72
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P30-43, P56-63, P69-72
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	P56-72
Part D: Climate-related Disclosures			
	(I) Governance		P24-25
	(II) Strategy		P26-35
	Climate-related risks and opportunities		P27-28
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	Strategy and decision-making		P29
	Financial position, financial performance and cash flows		P35
	Climate resilience		P39-40
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	(IV) Metrics and Targets		P41-45
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	Capital deployment		P30-35
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	Remuneration		P25
	Industry-based metrics		P41-45
	Climate-related targets		P41-45

Index of GRI Standards

GRI used GRI 1: Foundation 2021

GRI standard	Disclosure	Disclosure status
GRI 2: General Disclosures 2021	2-1 Organizational details	P2
	2-2 Entities included in the organization's sustainability reporting	Refer to Notes on Report Preparation
	2-3 Entities included in the organization's sustainability reporting	Refer to Notes on Report Preparation
	2-4 Restatements of information	Refer to Notes on Report Preparation
	2-5 External assurance	P122-123
	2-6 Activities, value chain and other business relationships	P2-3
	2-7 Employees	P90-95
	2-8 Workers who are not employees	P90-95
	2-9 Governance structure and composition	P16-21
	2-10 Nomination and selection of the highest governance body	P18
	2-11 Chair of the highest governance body	Annual Report
	2-12 Role of the highest governance body in overseeing the management of impact	P16-21
	2-13 Delegation of responsibility for managing impacts	P16-21
	2-14 Role of the highest governance body in sustainability reporting	P16-21
	2-15 Conflicts of interest	Annual Report
	2-16 Communication of critical concerns	P12-13
	2-17 Collective knowledge of the highest governance body	P18-21
	2-18 Evaluation of the performance of the highest governance body	P18-21
	2-19 Remuneration policies	P90
	2-20 Process to determine remuneration	Annual Report
	2-21 Annual total compensation ratio	Annual Report
	2-22 Statement on sustainable development strategy	P16
	2-23 Policy commitments	P98-101
	2-24 Embedding policy commitments	P36-37, P76-77
	2-25 Processes to remediate negative impacts	P83-84
	2-26 Mechanisms for seeking advice and raising concerns	P12-13
	2-27 Compliance with laws and regulations	P98-101
	2-28 Membership associations	P102-105
	2-29 Approach to stakeholder engagement	P12-13
	2-30 Collective bargaining agreements	P12-13
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P10-11
	3-2 List of material topics	P14-15
	3-3 Management of material topics	P10-15

Independent Assurance Report

Independent Practitioner's Limited Assurance Report

毕马威华振通字第 2500111 号

Board of Directors of Agricultural Bank of China Limited:

Report on selected information in the 2024 Sustainability Development Report of Agricultural Bank of China Ltd.

Conclusion

We have performed a limited assurance engagement on the following information in the 2024 Sustainability Development Report of Agricultural Bank of China Limited ("the Agricultural Bank") for the year ended 2024 (the "assured sustainability information"):

Economic performance indicators:

- Total assets (RMB 100 million)
- Total loans and advances to customers (RMB 100 million)
- Non-performing loan ratio (%)
- Capital adequacy ratio (%)
- Net profit (RMB 100 million)
- Return on average total assets (%)
- Return on weighted average net assets (%)
- Total tax paid (RMB 100 million)
- Shareholders' equity (RMB 100 million)
- Shareholders' dividends (RMB 100 million)
- Social contribution value per share (RMB)

Environmental performance indicators:

- Nitrogen oxide emissions (kg)
- Sulfur dioxide emissions (kg)
- Carbon monoxide emissions (kg)
- Particulate matter emissions (kg)
- Total amount of hazardous waste (ton)
- Discarded toner cartridge (ton)
- Discarded lead-acid batteries (ton)
- Discarded fluorescent lamp (ton)
- Total volume of non-hazardous waste (ton)
- Computer (mainframe) scrap (ton)
- Monitor scrap (ton)
- Laptop scrap (ton)
- Printer scrap (ton)
- Server scrap (ton)
- Discarded dry batteries (ton)
- Office paper (ton)
- Balance of green credit (RMB trillion)
- Balance of green bonds invested for our own account (RMB 100 million)
- Underwriting size of green bonds (including carbon neutrality bonds) (RMB 100 million)

Social performance indicators:

- Total number of employees (person)
- Number of employees by gender (person)
- Number of employees by age (person)
- Proportion of gender in campus recruitment (%)
- Overall employee turnover rate (%)
- Number of work-related fatalities (person)
- Number of working days lost due to work-related injuries (day)
- Employee training coverage rate (%)
- Total number of suppliers (individual)
- Number of suppliers by region (individual)
- Number of consumer complaints (10 thousand piece)
- Complaint resolution rate (%)
- Number of outlets in China (10 thousand)
- Number of outlets in County Areas (10 thousand)
- Number of off-premise self-service banks (10 thousand)
- Total number of cash self-service devices (10 thousand)
- Number of outlets with Wheelchair Ramps (10 thousand)
- Number of outlets in the "ABC Considerate Warm Space" (10 thousand)
- Balance of loans to County Areas (RMB trillion)
- Balance of "Huinong e-loan" (RMB 100 million)
- Balance of loans to 832 counties lifted out of povery (RMB trillion)
- Balance of loans to 160 key counties receiving assistance in pursuing rural revitalization (RMB 100 million)
- Number of counties (districts) covered by the "ABC Huinongyun" platform (individual)
- The number of institutions registered on the "ABC Huinongyun" platform (10 thousand)
- Balance of loan to inclusive finance (RMB trillion)
- Balance of inclusive loans to small and micro enterprises (RMB trillion)
- Donations to external parties (RMB 10,000)
- Number of authorized invention patents (individual)

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the assured sustainability information of the Agricultural Bank as of and for the year ended 2024 is not prepared, in all material respects, in accordance with (the "Basis of Sustainability Information")

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

Basis for conclusion

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

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

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

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

Restriction on use

This report is intended solely for the use of the Board of Trustees. It may not be used for any other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

Responsibilities for the assured sustainability information

The directors of the Agricultural Bank are responsible for:

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

Inherent limitations in preparing the assured sustainability information

We remind users that there is no recognized evaluation and measurement standard system for non-financial data, so there are inconsistent measurement methods, which will affect the comparability of data between companies.

Our responsibilities

We are responsible for:

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

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

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the assured sustainability information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the assured sustainability information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:
1) Interview with relevant departments of Agricultural Bank of China involved in providing sustainability information in the 2024 Sustainability Development Report; Understand the collection, summary, review and reporting process of sustainability information to be assured;
2) Implement analytical procedures for the sustainability information to be assured in the 2024 Sustainability Development Report, and inquiry the management to obtain explanations for the identified major differences;
3) Obtain basic data for the sustainability information to be assured in the 2024 Sustainability Development Report, and sample to check the accuracy of the data;
4) Recalculation;
5) Other procedures we deem necessary.

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

KPMG Huazhen LLP

KPMG Huazhen LLP
Beijing, China
28, March 2025

Appendix: Basis of Sustainability Information

Total assets (RMB 100 million): Total assets is the book value of total assets in the Group's consolidated financial statements as of the end of the reporting period.

Total loans and advances to customers (RMB 100 million): Total loans and advances to customers represent the gross amount of loans and advances issued in the Group's consolidated financial statements as of the end of the reporting period.

Non-performing loan ratio (%): Non-performing loan ratio is calculated by dividing the balance of nonperforming loans (excluding accrued interests) by the total loans and advances to customers (excluding accrued interests).

Capital adequacy ratio (%): The capital adequacy ratio is calculated in accordance with the *Capital Rules for Commercial Banks* and other relevant regulations.

Net profit (RMB 100 million): Net profit is the amount of net profit in the consolidated income statement of the Group for the reporting period.

Return on average total assets (%): Return on average total assets is calculated by dividing net profit by the average balances of total assets at the beginning and the end of the period.

Return on weighted average net assets (%): Return on weighted average net assets is calculated in accordance with the *Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No. 9 – Computation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revision)* issued by the CSRC.

Total tax paid (RMB 100 million): Total tax paid equals the total of corporate income tax, value-added tax and other taxes actually paid by the *Agricultural Bank of China Limited* Group for the year.

Shareholders' equity (RMB 100 million): Shareholders' equity represents the total amount of total equity attributable to equity holders of the Bank and non-controlling interests in the consolidated financial statements as of the end of the reporting period.

Shareholders' dividends (RMB 100 million): Shareholders' dividends represents dividends of ordinary shareholders for the year (tax included).

Social contribution value per share (RMB): Social contribution per share = basic earnings per share + (Total tax+ employee compensation and benefits + interest expense + donations to external parties)/share capital in accordance with PRC GAAP.

Balance of green credit (RMB trillion): The balance of green credit is calculated according to the green financing caliber set by the NFRA in 2020.

Balance of green bonds invested for our own account (RMB 100 million): The balance of green bonds invested for our own account refers to the balance of green bonds invested by non-financial institutions and financial institutions under the criteria of the NFRA.

Underwriting size of green bonds (including Carbon-Neutral Bonds) (RMB 100 million): The underwriting size of green bonds (including carbon-neutral bonds) refers to the number of bond issues underwritten by the Bank, as well as the total amount raised through these issues, where the proceeds are exclusively allocated to finance or refinance projects that meet the requirements of the *Green Bond Endorsed Projects Catalogue (2021 Edition)*

Nitrogen oxide, sulfur dioxide, carbon monoxide, particulate matter emissions (kg): The emissions of nitrogen oxide, sulfur dioxide, carbon monoxide, and particulate matter are calculated based on the *Technical Guidelines for Road Motor Vehicle Emission Inventory Preparation (Trial)* and the Euro V standard, with emissions calculated from the mileage of official vehicles (kilometers) and total fuel consumption (liters). The statistical scope covers the Head Office, the headquarters of 37 domestic tier-1 branches, institutions at the same level of Head Office departments, and domestic subsidiaries.

Total Hazardous Waste, discarded Toner Cartridges, discarded Lead-acid Batteries, discarded Fluorescent Lamps (Tons): Total hazardous waste is calculated based on the guidelines from the Hong Kong Stock Exchange Appendix 2: Reporting Guidance on Environmental KPIs and the National Catalogue of Hazardous Wastes, including discarded toner cartridges, discarded lead-acid batteries, and discarded fluorescent lamps. The statistical scope covers the head office, the headquarters of 37 domestic tier-1 branches, institutions at the same level, and institutions at all levels of domestic subsidiaries.

Total Non-hazardous Waste, computers (mainframes) scrap, monitor scrap, laptop scrap, printer scrap, server scrap, discarded dry batteries and office paper: Total non-hazardous waste includes computers (mainframes) scrap, monitors scrap, laptop scrap, printers scrap, servers scrap, discarded dry batteries and office paper. The statistical scope covers the Head Office, main offices of 37 domestic tier-1 branches, institutions at the same.

Total number of employees (person): Total number of employees refers to the total number of employees with labor contracts within the Group, including domestic institutions, overseas branches, subsidiary banks and representative offices, subsidiaries with integrated operations and rural banks, excluding labor dispatch.

Number of employees by gender (person): Number of male employees refers to male regular employees who have signed formal contracts with the Bank as of the end of the reporting period; number of female employees refers to the female regular employees who have signed formal contracts with the Bank as of the end of the reporting period. Gender information is based on the employee's official identification.

Number of employees by age group (person): As of the end of the reporting period, the number of employees of all age categories in the Bank's regular employees who signed formal contracts with the Bank. Age information is based on the employee's official identification.

Proportion of gender in campus recruitment (%): Male (Female) Percentage of Campus Recruitment Hires = Number of Male (Female) Employees Hired Through Campus Recruitment / Total Number of Campus Recruits

Overall employee turnover rate (%): overall employee turnover rate=number of employees who voluntarily quit (resign) in the current year/number of employees at the end of last year (formal contract). Among them, the employees who voluntarily resigned (resigned) in the current year refer to the total number of employees who voluntarily resigned (resigned) with labor contracts within the scope of the Agricultural Bank of China Group, including all employees who voluntarily resigned (resigned) from domestic institutions, overseas branches and representative offices, integrated operation subsidiaries and village banks.

Number of work-related fatalities (person) : Number of work-related fatalities in the domestic institutions of the Bank recognized under national and local government regulations and policies.

Number of working days lost due to work-related injuries (day): Number of workdays lost due to work-related injuries in the domestic institutions of the Bank recognized under national and local government regulations and policies.

Employee training coverage rate (%): Ratio of employees at all levels who actually participated in off-job training and online learning to the total number of on-duty employees across all categories and levels.

Total number of suppliers (individual): The number of suppliers fulfilling contracts with the Head Office and domestic branches in 2024.

Number of suppliers by region (individual): Regionally divide the performance supplier of the Head Office and domestic branches in 2024. The number of supplier registered in the Yangtze River Delta, the Pearl River Delta, the Bohai Rim Region, the Central Region, the Western Region, the Northeast Region, overseas and other supplier is counted according to their registered places.

Number of consumer complaints (10 thousand): Including regulatory complaints, customer service complaints, site complaints from outlets, etc. In order to reflect the actual situation of customer complaints, the number of consumer complaints in this report has excluded repeated complaints, as well as complaints related to the "card breaking action" launched to crack down on new types of illegal crimes in telecommunications networks.

Complaint resolution rate (%): complaint resolution rate = number of resolved complaints from all channels ÷ total number of complaints form all channels × 100%.

Number of outlets in China (10 thousand): As of the end of the reporting period, the number of licensed business outlets within the Chinese mainland operated by the Bank. Refer to the *Basic Requirements for Bank Business Outlets Services* (GB/T 32320-2015).

Number of institutions in County Areas (10 thousand): As of the end of the reporting period, the Bank had 2,048 tier-1 sub-branches and its subordinate business outlets (referring to second-level sub-branches, offices, branch offices and savings banks with independent business licenses) and 21 tier-2 branches located at the country-level under the jurisdiction of the County Area Banking Division, covering 2,003 established counties and county level cities (including county towns and subordinate townships).

Number of off-premise self-service banks (10 thousand): As of the end of the reporting period, the number of self-service outlets independent from manual business outlets within Chinese mainland. Refer to Basic Requirements for Bank Business Outlets Services (GB/T 32320-2015) and the Self-service Bank Outlets Service Requirements (GB/T 41461-2022).

Total number of cash self-service devices (10 thousand): As of the end of reporting period, the number of ATMs (Automatic Teller Machines) and CRS (Cash Recycling Machines) within Chinese mainland. Refer to the *Bank Card ATM Terminal Technical Specifications* (JR/T 0002-2016).

Number of Outlets with Wheelchair Ramps (10 thousand): As of the end of the reporting period, the number of outlets within Chinese mainland equipped with wheelchair ramps (including those with flat ground, where no ramp is needed). Refer to the *Bank Business Outlets Accessibility Construction Specifications* (GB/T 41218-2021).

Number of outlets in the "ABC Considerate Warm Space" (10 thousand): As of the end of the reporting period, the number of outlets within Chinese mainland displaying the "ABC Considerate Warm Space" service brand. Refer to the *Notice on the Promotion of the "ABC Considerate Warm Space" Service Brand.*

Balance of loans to county areas (RMB trillion): The balance of loans to county areas issued by Agricultural Bank of China through all operating institutions of the County Area Banking Division.

Balance of "Huinong e-loan" (RMB 100 million): "Huinong e-loan" is a farmer loan brand created by the Agricultural Bank of China for farmers by combining online and offline methods, specifically including "Huinong e-loan" (white list), "Huinong e-loan" (mortgage), farmers' micro loans, rural personal production and operation loans, farmers' housing purchase and construction loans, etc. accepted through mobile operating equipment, and Huinong e-loan, which is handled by customers through the Internet.

Balance of loans to 832 counties lifted out of poverty (RMB trillion): The total amount of loans and advances granted by Agricultural Bank of China Limited through all operating institutions located in 832 poverty alleviation counties.

Balance of loans to 160 key counties receiving assistance in pursuing rural revitalization (RMB 100 million): The total amount of loans and advances granted by Agricultural Bank of China Limited through all business institutions located in 160 key counties for rural revitalization.

Number of counties (districts) covered by the "ABC Huinongyun" platform (individual): The number of counties (districts) involved in the location of the "ABC cloud" platform customers of Agricultural Bank of China Limited.

The number of institutions registered on the "ABC Huinongyun" platform (10 thousand): The number of institutions registered as "ABC cloud" platform customers of Agricultural Bank of China Limited and using cloud platform related service functions.

Balance of loan to inclusive finance (RMB trillion): Inclusive finance loans include loans to small and micro enterprises with a single credit amount of less than RMB 10 million, loans for individual business operations, loans for small business owners, loans for farmers' production, consumer loans for registered poverty-stricken people, entrepreneurial guarantee loans, and student loans in accordance with PBOC caliber.

Balance of inclusive loans to small and micro enterprises (RMB trillion): According to the Notice by the General Office of the China Banking and Insurance Regulatory Commission Regarding Increasing Efforts to Improve the Quality of Financial Services for Micro and Small-sized Enterprises in 2023 (No. 42 [2023] of the General Office of the China Banking and Insurance Regulatory Commission), the regulatory scope of inclusive small and micro enterprise loans refers to loans for small enterprise legal entities with a single credit amount of RMB 10 million or less, as well as loans for individual businesses and small business owners with a single credit amount of RMB 10 million or less. Inclusive small and micro enterprise loans do not include data related to bill discounting or rediscounting.

Donations to external parties (RMB 10 thousand): Donations to external parties refer to the total amount of public welfare donations made by the domestic branches of the Bank (limited to domestic donations) (excluding employee contributions). Public welfare donations refer to donations made for public welfare activities as defined by the *Law of the People's Republic of China on Donations for Public Welfare.*

Number of authorized invention patents (individual): According to *Article 3 of the Patent Law of the People's Republic of China*, the patent administration department under the State Council is responsible for managing the national patent work, including the uniform acceptance and review of patent applications and granting of patents in accordance with the law. The Number of Patents Granted during the Reporting Period refers to the number of patents granted by the patent administration department under the State Council to the Bank.

Third-Party Statement for GHG Emissions and Energy Consumption Data

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Third-Party Statement for GHG Emissions and Energy & Resource Consumption Data

This report is on

Agricultural Bank of China Limited

covering GHG emissions and main energy consumption data of all operating institutions of Agricultural Bank of China Group from January 1, 2024 to December 31, 2024.

Index	2024
Total greenhouse gas (GHG) Emissions [1]	
Scope 1: Direct GHG emissions (tCO_2)	165,275.90
Emissions from stationary sources	80,557.61
Emissions from mobile sources	84,718.29
Scope 2: Indirect GHG emissions (tCO_2)	1,973,634.02
Total GHG emissions : Scope 1+ Scope 2 (tCO_2)	2,138,909.92
GHG emissions per capita (tCO_2 /p)	4.61
Scope 3 [2]: Other indirect GHG emissions (tCO_2)	4,049.06
Total GHG emissions : Scope 1+ Scope 2+ Scope 3 (tCO_2)	2,142,958.98
GHG emissions per capita (tCO_2 /p)	4.62
Energy & Resource Consumption [3]	
Comprehensive energy consumption (tce) [4]	541,519.14
Comprehensive energy consumption per capita (tce/p)	1.17
Total direct energy consumption (tce)	82,965.78
Direct energy consumption per capita (tce/p)	0.18
Natural gas (m^3)	24,962,601.52
Gasoline (L)	38,291,601.03
Diesel (L)	1,422,447.05
Liquefied petroleum gas (t)	790.82
Coal (t)	7,648.86
Total indirect energy consumption (tce)	458,553.36
Indirect energy consumption per capita (tce/p)	0.99
Electricity (MWh)	3,084,408.409
Purchased heat (GJ)	2,329,412.90
Total water consumption (t)	31,146,613.64
Water consumption per capita (t/p)	67.15

1. Calculation methods of GHG emissions:

GHG accounting (Scope1, Scope2) is conducted in accordance with the requirements for activity level data and emission factors specified in *ISO14064-1 Greenhouse Gas Part 1: Norms and Guidelines for Quantification and Reporting of Greenhouse Gas Emissions and Removals at the Organizational Level; Methodology and Pilot Guidelines for Greenhouse Gas Emissions Accounting and Reporting by Public Building Operation Units (Enterprises); Announcement on the Release of 2021 Electricity Carbon Dioxide Emission Factor;*

GHG accounting (Scope 3: Municipal Water) is calculated in accordance with the municipal water emission factors, activity level data, and relevant requirements specified in *GHG Protocol (Greenhouse Gas Protocol) ; Corporate Value Chain (Scope 3) Accounting and Reporting Standard; Carbon Peaking and Carbon Neutrality Public Service Platform- China Carbon Footprint Database (CNCD);*

Total GHG emissions: The total sum of direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2 and Scope 3).

2. Scope 3 includes Category 1: Purchased Goods and Services (Municipal Water).

3. The data of GHG emissions and energy consumption are based on Group's standard, including domestic and overseas branches, integrated operation subsidiaries, and other institutions at all levels.

4. All comprehensive energy consumption data of various energy sources refer to the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020).

China Testing & Certification International Group Co., Ltd

Signature:

Date of Statement: March 2025

Thanks for reading the "2024 Sustainability Report of Agricultural Bank of China". In order to provide more valuable information to you and other stakeholders, and to promote the bank's ability and level of sustainable development, we sincerely welcome your participation in the survey questionnaire on the materiality assessment of sustainable development issues. We will adjust the materiality of issues based on your feedback and focus on responding to them in our future sustainable development work and report preparation.

Survey on the Materiality of Sustainability of Agricultural Bank of China

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