16. Social Responsibility Report

16.1 Board Statement

During the reporting period, the Company focused on its role as a financial asset management company, thoroughly implemented the spirit of the fourth Plenary Session of the 20th CPC Central Committee and the Central Economic Work Conference, steadfastly promoted the "One-Three-Five" development strategy, advanced the Company's high-quality and sustainable development, and better contributed to overall national economic and social progress. The Company actively practiced the ESG concept, strictly complied with the ESG Code, rigorously implemented ESG-related policy requirements, continuously improved ESG work performance, and actively fulfilled its corporate social responsibility.

The Company established a top-down ESG governance framework, which clearly defines that the Board of Directors is responsible for ESG strategy and reporting, while the Management is responsible for the overall implementation and execution of specific ESG initiatives. A social responsibility fulfillment and management mechanism was established at the headquarters level, coordinated by multiple functional departments, with a designated contact person system implemented across departments, branch offices, and subsidiaries to ensure the advancement of ESG initiatives in an orderly manner.

As the highest decision-making body, the Board of Directors formulates ESG management policies, strategies, and objectives, assesses the Company's ESG risks, and reviews ESG-related issues. Leveraging the internal control management mechanism, the Board of Directors identifies key ESG risk control elements, regularly reviews ESG matters that could impact the Company's business operations, and interests of shareholders and other stakeholders, evaluates and supervises the operation of the Company's ESG management system. Meanwhile, based on the opinions of stakeholders and the assessment results of material issues, the Board of Directors incorporates key issues into the Company's governance procedures, and reviews the Company's ESG report, which covers the annual ESG management and practice progress, ensuring its full participation in ESG governance and related information disclosure.

To effectively promote ESG management and enhance the Company's sustainable development capabilities, the Board approved the inclusion of ESG in the scope of responsibilities of the Strategy and Development Committee of the Board in 2025. The committee is responsible for researching and formulating policies, goals, and significant matters of the Company on environmental (including climate change), social and governance, reviewing the disclosure matters related to environmental (including climate change), social and governance, and reports directly to the Board.

During the reporting period, the Board of Directors reviewed and supervised policies and measures related to ESG issues, including serving national development strategies, operational compliance, climate change response, and social welfare. This report provides a comprehensive disclosure of the Company's progress and achievements on these and other ESG issues in 2025 and was approved by the Board of Directors on March 30, 2026.

16.2 Governance Responsibility

16.2.1 Corporate Culture

Company Mission: practicing national strategies, serving the real economy, and mitigating financial risks

Company Vision: focusing on the main business of distressed assets and building a first-class financial asset management company

Company Philosophy: loyalty, responsibility, pragmatism and dedication

16.2.2 Party Building Leadership

16.2.2.1 Strengthen Party Leadership and Political Guidance

The Company adheres to General Secretary Xi Jinping's important thoughts on Party building and self-revolution as fundamental guidelines, continuously strengthening Party leadership and advancing the deep integration of Party leadership with corporate governance and business management, ensuring that Party leadership is embedded into corporate governance through institutionalized and standardized mechanisms, insisting on managing the Party with strict standards and leading the Company's high-quality and sustainable development with high-quality Party building.

- Upholding the "two principles" in all respects, the Company further amended the Articles of Association, complemented the provisions on Party building work, clarified the legal status of Party organizations within its corporate governance structure, enforced the procedure whereby Party Committee meetings served as a pre-review process for major decisions of the Board of Directors and the Management, and continuously promoted the deep integration of Party leadership with corporate governance.

- Fully leveraging the leading role of Party committees in "guiding direction, managing the overall situation, and ensuring implementation", we improved the decision-making system of "Three Majors and One Large", revised the Party Committee Discussion Rules, further clarified the boundaries of responsibilities between the Party Committee, the Board of Directors, and the Management, and established a governance mechanism with statutory powers and responsibilities, and effective checks and balances,.

- The Company implemented the leadership mechanism of "bi-directional promotion and cross-appointment", under which members of the Party Committee held positions in the Board of Directors and the Management, ensuring that the intentions of the Party organization were reflected in major corporate decision-making.

16.2.2.2 Deepen Thematic Education and Solidify Ideals and Beliefs

The Company continued to arm itself with the Party's innovative theory, and promoted learning and education that is both profound in substance and practical in application. The Company made learning and implementing the spirit of the 20th National Congress of the Communist Party and the fourth plenary session of the 20th Central Committee a major task in arming itself with the Party's innovative theory. Furthermore, the Company formulated and issued the *Task Breakdown Table for Studying the <Outline for Studying Xi Jinping Thought on Culture> and Implementing the "Nine Ones" Cultural Practice Activities*, detailing 23 tasks and implementation requirements by taking into consideration the Company's actual circumstances, integrating learning and discussion activities throughout the entire process of thematic education. Units are encouraged to deepen their study of General Secretary Xi Jinping's key statements on strengthening Party conduct and the observe the central Party leadership's eight-point decision and its rules for implementation. Through mechanisms such as the "First Agenda" initiative, Party Committee Theory Learning Center Group, reading sessions, and thematic party classes, over 700 learning activities were organized to significantly enhance the systematic nature and practical effectiveness of theoretical study.

16.2.3 Strategic Planning

The Company's "14th Five-Year Plan" development plan closely aligns with national development strategies and ESG requirements, with clear and defined strategic goals, measures, and implementation paths. In terms of guiding ideology, it is proposed to fully implement the new development concept, actively integrate into and serve the new development pattern, deeply implement the three major tasks of mitigating financial risks, serving the real economy, and deepening financial reform, and implement the national "14th Five-Year Plan" and the 2035 long-term goals outline. In terms of development mission, it is proposed to "practice national strategies, serve the real economy and mitigate financial risks". In terms of business planning, it is proposed to focus on the national "14th Five-Year Plan" and CITIC Group's "Five-Five-Three" development strategy, concentrating on emerging industries and green industries such as new energy, new infrastructure, advanced materials, advanced manufacturing, healthcare, consumer logistics, and the digital economy, while also increasing support for the strategic restructuring and industrial transformation and upgrading of traditional industries such as coal, steel, building materials, and non-ferrous metals.

16.2.4 Corporate Governance

The Company strictly adheres to the *Company Law of the People's Republic of China, the Securities Law of the People's Republic of China*, as well as the Listing Rules and other legal regulations, and the Company's articles of association. Furthermore, the Company continuously optimizes its modern corporate legal governance structure, enhances internal management level, safeguards the rights and interests of all shareholders, and promotes the Company's healthy and sustainable development. It has established a governance framework in which the Shareholders' General Meeting, the Board of Directors, and the Management each perform their respective duties with clearly defined responsibilities and efficient collaboration. For detailed information about corporate governance, please refer to "11. Corporate Governance Report", "13. Report of the Board of Directors", and "17. Organizational Chart".

Highlights of Corporate Governance Work in 2025

- We enhanced the ESG Governance Framework and included ESG into the scope of responsibilities of the Strategy and Development Committee of the Board to ensure effective implementation of ESG objectives and strengthen the Company's sustainable development.

- We implemented the relevant requirements of the newly revised *Company Law*, completed the revisions to the Articles of Association, establishing a more scientific, efficient, and compliant corporate governance system. We revised rules for general meeting of Shareholders, Board meetings, and five work rules of special committees of the Board, adjusted and improved the responsibilities and authorities of the general meeting, Board meetings and the special committees, and improved the operational efficiency across all stages of corporate governance. We also added one female employee director to the Board, and standardized duty fulfillment requirements for directors appointed to strengthen directors' accountability in fulfilling their duties.

16.2.5 ESG Governance Structure

The Company has established a three-tier ESG governance structure comprising the Board of Directors, the Management, and the executive level. The Board provides guidance on the Company's overall ESG initiatives and oversees and evaluates relevant work of the Management. The Management coordinates all ESG-related activities across the Company and offers guidance and supervision to the executive level. The functional departments of the headquarters and branches and subsidiaries are responsible for the implementation of ESG work.

16.2.5.1 Board of Directors

The Board is responsible for reviewing environmental (including climate change), social, and governance related matters. During the reporting period, the Board reviewed proposals including the 2024 Social Responsibility Report (including climate change response), internal control evaluation, and external donation arrangements.

The Strategy and Development Committee of the Board is responsible for formulating policies, goals, and significant matters of the Company on environmental (including climate change), social and governance, reviewing the disclosure matters related to environmental (including climate change), social and governance, and making recommendations to the Board of Directors. As of the end of 2025, the committee has nine Directors, including four independent non-executive directors.

The Risk Management Committee of the Board is responsible for overseeing the implementation and effectiveness of the Company's risk strategy (including climate-related risks), risk management processes, and internal control procedures, conducting regular assessments of the Company's risk profile, and risk management capabilities and risk levels, providing recommendations to enhance risk management and internal control.

The Related Party Transactions Committee of the Board is responsible for managing related-party transactions, reviewing and approving related-party transactions, mitigating risks associated with such transactions and safeguarding the interests of all shareholders. As of the end of 2025, the Committee consisted of four Directors, including one non-executive Director and three independent non-executive Directors. The Committee chairman was acted by the independent non-executive Director.

- ***Diversity of Board Members***

The Company attaches great importance to the critical value of board diversity in enhancing governance effectiveness and has formulated the *Board Diversity Policy*, which is implemented by the Nomination and Remuneration Committee of the Board. The composition of the Board comprehensively considers diverse factors such as gender, age, education, and professional experience to ensure complementary capabilities, experience and decision-making perspectives among members. As of the end of 2025, the proportion of independent non-executive directors of the Company exceeded one-third, and the proportion of female directors was one-third, meeting the requirements of diversified governance.

- ***Expertise of Members of the Board***

The Company organizes specialized training programs for Directors, focusing on newly revised Articles of Association, *Environmental, Social and Governance Reporting Code of the Hong Kong Exchanges and Clearing Limited* (HKEX), and developments in regulatory enforcement to strengthen directors' expertise and governance standards. During the reporting period, we organized directors to participate in a series of training sessions on the construction of a clean and honest Party style and anti-corruption, covering core regulations on anti-corruption and anti-money laundering across jurisdictions. Directors also received targeted training on new anti-corruption regulations of Hong Kong capital market in 2025, including amendments to the Prevention of Bribery Ordinance, HKEX's corporate governance integrity requirements, and the updated enforcement and compliance guidelines released by financial regulators. Through these systematic learning programs, we continuously enhanced directors' awareness of integrity, the ability to resist corruption and cross-border compliance standards. We formulated an annual director research plan, according to which directors conduct on-site inspections and thematic seminars at branches. During the reporting period, directors were dispatched to subsidiaries in Xinjiang, Hunan, and Zhejiang provinces for field visits, where they reviewed operational and management reports, gained in-depth insights into core business operations, and risk prevention and mitigation efforts, which enhanced the effectiveness of directors' performance.

Details of the directors' performance of duties in terms of climate response are set out in "16.4.1.1 Governance", other details are set out in "10. Directors, Supervisors and Senior Management".

16.2.5.2 Management

The Management, its committees and task forces, actively implemented the Board's strategies on environmental (including climate change), social and governance. They take the lead in formulating work objectives and key tasks, coordinate the implementation of ESG principles across departments, branch offices and subsidiaries through collaborative efforts, and comprehensively enhance ESG management standards.

The Risk Management and Internal Control Committee is responsible for reviewing and organizing the formulation of key systems, plans, and frameworks related to corporate risk management and internal control compliance, based on the fundamental policies and systems approved by the Board on risk management (including climate-related risks and money laundering risks) and internal control compliance. The committee also guides, supervises, and advances the development of the Company's risk management and internal control compliance systems.

The Central Procurement Management Committee is responsible for the collective review and decision-making on authorization and approval matters stipulated in the Company's central procurement policies, including integrating green procurement standards and suppliers' ESG performance into procurement evaluation systems. This ensures supply chain management meets sustainable development requirements and promotes responsible procurement practices at the source.

The Accountability Committee is responsible for formulating the Company's accountability policies, reviewing accountability management reports on significant risk events, and deliberating or deciding on disciplinary actions for relevant personnel. The committee effectively strengthens the Company's internal control and compliance culture, ensures the implementation of anti-corruption and anti-bribery policies, and safeguards a clean and integrity-driven business environment.

The Data Governance and Information Technology Management Committee is responsible for collective review of IT matters and provides professional recommendations.

The Business Requirements Review Panel and the Data Standards Review Panel under the committee are responsible for the evaluation of business requirements and data-related matters within their scope of duties, including advancing the development of information system and enhancing the data governance capabilities of the Company.

The Leading Group for Targeted Support Work is responsible for coordinating and deploying the Company's assistance initiatives, studying and deliberating annual assistance plans, determining key tasks for the year, and addressing other significant matters related to assistance efforts. This ensures the Company effectively fulfills its community responsibilities.

The Leading Group for Anti-Money Laundering Work is responsible for implementing regulatory requirements on anti-money laundering, organizing and deploying the Company's anti money laundering initiatives, and developing solutions to significant issues arising in anti-money laundering work.

16.2.5.3 Executive level

An environmental (including climate change), social and governance responsibility fulfillment and management mechanism was established at the headquarters level, coordinated by multiple functional departments, with a designated contact person system and interdepartmental coordination system implemented across departments, branch offices, and subsidiaries to strengthen information flow and cross-functional collaboration.

16.2.6 Operational Compliance

16.2.6.1 Internal Control Management

The Group continuously improves the internal control management system around the goals of effective operation, reliable reporting, and compliance management, strengthening internal control measures. The Board, the Management, headquarters, branches, subsidiaries and other institutions of different levels of the Company, as well as the three lines of defense of internal control, consisting of the Operation Management Department, the Internal Control Management Department and the Internal Audit Department, performed their own functions while complementing and reinforcing one another to jointly support business operations and risk prevention.

During the reporting period, in terms of the development of internal control management system, the Company revised multiple documents including the *Rules for the Management Risk Management and Internal Control Committee, Internal Control Process Framework, Internal Control Manual*, and *Risk Control Matrix* based on its self-assessment of the internal control system. The revisions prioritized the optimization of control activities, information and communication mechanisms, and internal monitoring systems, enhancing risk identification and control measures of all work flows, and further refining the executability and operability of each process.

In terms of internal audit supervision, the Company further refined the *Guidelines on Audit of Operating Projects* based on its established trinity framework of internal audit systems, guidelines, and standards, continuously enhancing the scientific nature and standardization of the internal audit framework. During the reporting period, the Company standardized and enhanced over ten audit work templates, promoted the migration of internal audit work flows to the cloud by strengthening the management of audit quality and rectification reporting, effectively elevated the standardization of internal audit work. During the reporting period, a total of 14 special internal audits were conducted, covering areas such as internal control evaluation, related party transactions, comprehensive risk management, and the design and implementation of remuneration systems. Other details regarding the Company's internal control are set out in "8.4.9. Internal Audit".

16. Social Responsibility Report

In terms of compliance management, the Company revised and issued the *Compliance Management Measures*, stipulating the establishment of a Chief Compliance Officer (CCO) at the Company's headquarters and Compliance Officers at branches to improve the compliance responsibility framework, duty performance safeguards, and remuneration management systems. The revision enhanced compliance management through more professionalized and institutionalized organizational structures. Additionally, the Company organized overseas integrity and compliance risk assessment and commission management assessment, focusing on critical links to continuously fix loopholes and enhance supervision of key areas in overseas businesses. In alignment with regulatory priorities, the Company carried out specialized inspections on substantial restructuring businesses, effectively leveraging the "toolkit" of relief products to empower restructuring subjects. Furthermore, the Company published three issues of the *Compliance Risk Alerts* and *Compliance Insights*, respectively, to reinforce the guiding role of risk early warning and compliance frameworks. The Company also continued to strengthen risk prevention and control of cases by organizing educational programs on case prevention and the 2025 self-assessment of case prevention.

In terms of compliance training, the Company organized five sessions of training covering 11 topics during the reporting period, delivered by the risk director and internal/external experts on key compliance requirements and practical experiences. The Company also organized lectures on compliance delivered by leadership, with business units cumulatively delivering over 40 sessions. The training programs helped participants align understanding, correct work styles, and learn from past experiences, emphasizing both risk control and compliance.

In terms of employee behavior management, the Company emphasized business ethics management, standardized behaviors of employees (including workers dispatched from labor leasing companies), and established policies such as the *Employee Conduct Management Measures* and *Regulations on Employees' Investment Activities* to clarify behavioral standards, promote professional integrity, and prevent benefit transfers. The Company continued to strengthen its management system of risk prevention and control of cases by issuing the *Case Prevention Management Measures*, which specifies that the Board assumes ultimate responsibility for risk prevention of cases. The measures aim to comprehensively enhance internal controls and behavioral management of all employees, improving the Company's capacity to mitigate case-related risks. To effectively prevent fraud risks, the *Internal Control Manual* clearly stating that we shall establish and improve anti-fraud mechanisms and whistleblower protection mechanisms. In conjunction with the management of employee behavior and case risk assessment, we carried out daily monitoring and regular inspections, promptly addressing management loopholes. The Company handled the acceptance, investigation, processing, and reporting of complaints and reports according to procedures. Additionally, we reinforced accountability management to promote employee compliance by formulating systems such as the *Accountability Measures for Violations in Operations and Management* and *Regulations for Inspection of Violations in Operations and Management*. Regular audits on business ethics were conducted, incorporating employee ethical risks and abnormal behaviors into annual special and routine audit scopes. During the reporting period, the Company conducted comprehensive assessments of employee conduct and business ethics across business processes, key management areas, and abnormal employee behaviors, analyzed identified issues, and proposed corresponding improvement measures.

Other details regarding the Company's internal control are provided in "12. Internal Control".

16.2.6.2 Comprehensive Risk Management

The Group has established a standardized risk governance framework, clearly defining the risk management responsibilities of the Board of Directors, the Management, the lead department of comprehensive risk management, various types of risk-attributed management departments, and all business units. The Board of Directors serves as the highest decision-making body for risk management within the Company and bears ultimate responsibility for comprehensive risk management. The Management is responsible for implementing the risk strategies and risk appetite established by the Board, and assumes the responsibility for executing comprehensive risk management. The Group continues to refine its "three lines of defense" model, comprising business departments, risk management functional departments, and the Internal Audit Department. It strengthens the lead role of the Risk Management Department in overseeing comprehensive risk management, and has established a risk director system, with headquarters exercising vertical management over risk directors at branches and subsidiaries, reinforcing the principle of local accountability for risk management.

During the reporting period, we "laid a solid foundation" by further enhancing the comprehensive risk management system. Focusing on the "single goal" of asset quality control, we strengthened the "two core capabilities" of risk prevention and growth promotion, deepened the "three levels of penetration" in terms of organization, management and philosophy, and pressed ahead with the "Five Ones" risk management initiative. These efforts provided robust support for the Company to achieve its strategic goal of "significant improvement in quality and efficiency within three years". We revised institutional documents including the *Comprehensive Risk Management Measures and Market Risk Management Measures*. By establishing a sound set of risk management rules and mechanisms, we effectively underpinned the sound development of the Company's businesses. With a total of 415 tasks completed, we systematically built a clear, multi-dimensional and sound comprehensive risk management system. We focused on extending the risk management system to frontline operations. We guided all branches and subsidiaries to formulate implementation plans and conduct acceptance checks, while carrying out on-site research and supervision to effectively fortify the risk prevention and control barrier at frontline operations. We held a special training session for risk directors and head of the Risk Management Department in 2025. We also launched regular targeted training on key topics such as connected transactions, customer concentration and business authorization, and continued the "Competence Plus" training program for young employees. These initiatives aimed to strengthen policy comprehension, consolidate professional expertise and accumulate practical experience, comprehensively enhancing the performance capacity of the risk line through multi-level and systematic training. During the reporting period, the Group's overall risk control capabilities were further strengthened, with all types of risks maintained within controllable ranges.

Other details regarding the Group's risk management are listed in "8.4 Risk Management".

16.2.6.3 Supply Chain Management

The Group strictly complied with the *Law of the People's Republic of China on Bid Invitation and Bidding*, the *Interim Regulations on Centralized Procurement Management of State-owned Financial Enterprises*, and other relevant laws and regulations, and focused on and identified the management of environmental and social risks at various stages of the supply chain, and improved related implementation and monitoring methods to continuously optimize the centralized procurement management system. During the reporting period, the Company revised internal regulations including the *Centralized Procurement Management Measures* and the *Work Rules for the Centralized Procurement Management Committee*, strengthening supplier admission management, blacklist management, post-evaluation management, and integrity management in anti-bribery and anti-corruption. These measures aimed to standardize procurement processes, improve the efficiency of procurement fund utilization, and comprehensively manage and supervise the procurement of bulk goods, services, and construction projects.

In the centralized procurement process, we strictly reviewed supplier admission and conducted compliance verification in anti-bribery and anti-corruption. Prior to procurement, we conducted background checks on suppliers through official channels such as the National Enterprise Credit Information Publicity System and the List of Dishonest Judgment Debtors, to verify whether suppliers have any records of material violations such as commercial bribery, adverse records relating to breaches of social responsibility or production safety over the past three years. The system explicitly require that qualifications related to supplier credit, such as records of misconduct, historical dishonesty, violations, legal penalties, and credit records must be included in procurement documents. Additionally, supplier related-party relationships are subject to due diligence to prevent conflicts of interest and risks associated with related-party transactions. Supplier qualifications and reputation are assessed by verifying business licenses, industry-specific certifications, and financial statements, with an evaluation of their legal compliance and credibility. During the bidding process, suppliers are required to comply with safety management requirements.

In the contract signing process, anti-bribery clauses and compliance commitments are formally reviewed and confirmed. For non-foreign-related contracts, suppliers are required to provide a written commitment to anti-commercial bribery, acknowledging and pledging strict adherence to relevant laws and regulations in China concerning anti-commercial bribery. They are informed that any form of bribery or corruption is illegal and will be subject to severe legal consequences. Suppliers are prohibited from soliciting, accepting, offering, or providing any benefits beyond those stipulated in the contract, including but not limited to kickbacks (both overt and covert), cash, shopping vouchers, physical goods, securities, travel, or other non-monetary benefits. For all foreign-related contracts, the Company has also incorporated relevant clauses, explicitly requiring suppliers to strictly comply with all applicable laws during contract performance, including but not limited to laws, regulations, rules, orders, decisions, international treaties, or other regulatory requirements concerning anti-bribery, anti-corruption, and sanctions issued by China, the country of either contracting party, or any other country or organization that may have jurisdiction over the contract performance. Furthermore, suppliers are required to sign confidentiality agreements, affirming their commitment to safeguarding the Company's commercial secrets. Suppliers must also demonstrate sound business ethics, including honest operations and fair competition, and are strictly prohibited from engaging in any unfair competition, bribery, or corruption.

In the post-performance evaluation phase, the Company conducts annual supplier performance evaluations. The requesting (or managing) units objectively and impartially assess the overall performance of suppliers currently in cooperation, based on actual fulfillment records. Through post-performance evaluation, the Company proactively identifies and mitigates supplier misconduct, ensuring supply chain stability and continuity, and thereby safeguarding the quality and efficiency of procurement.

Responsible Procurement Measures

- **Transparent procurement:** We firmly established the principle of "open procurement and transparent procurement" and comprehensively promoted "procurement to the fullest extent possible". The system explicitly stipulated that procurement activities must adhere to the principles of "openness, fairness, justice, good faith, and efficiency". For procurement matters within the scope of centralized procurement, we conducted procurement through public announcements, published on platforms such as the Company's official website, to improve transparency and create an open, fair, and just procurement environment.

- **Green procurement:** Under the premise of ensuring controllable risks and availability, centralized procurement prioritized the purchase of energy-saving and environmentally friendly products, providing institutional support for building a green supply chain and fulfilling social responsibilities for environmental protection. Energy-saving indicators were set in the scoring rules for desktop and laptop computer procurement projects, granting weight to suppliers with the *China Energy Conservation Product Certificate*.

- **Fair Procurement:** During the bidding process, it is explicitly stated that unreasonable conditions shall not be used to implement differential or discriminatory treatment of suppliers in the qualification criteria. In accordance with the work requirements of the General Office of the State Council and CITIC Group, we continuously carried out special investigations to resolve overdue payments to small and medium-sized enterprises, requiring our headquarters, branches and subsidiaries to verify overdue situations one by one, ensuring that undisputed debts were settled in full and that disputed debts were resolved as quickly as possible through negotiation or legal means.

During the reporting period, the number of suppliers with a single procurement amount exceeding RMB500,000 is 538, including 201 in North China, 14 in Northeast China, 105 in East China, 65 in Central China, 66 in South China, 22 in Southwest China, 24 in Northwest China, and 41 overseas.

16.2.6.4 Anti-Corruption and Integrity Construction

Our Group attaches great importance to anti-corruption and integrity work. Through improving the institutional system, strengthening publicity and education, and enhancing supervision and discipline, we promote the comprehensive and strict governance of the Party within the Company, creating a clean and upright political ecology and a good business development environment, which support the Company's high-quality development. The Company's Board of Directors is responsible for reviewing and approving the anti-corruption policies and code of conduct for ethical business practices, and for supervising the Management in establishing, implementing, and maintaining the Company's anti-corruption system to ensure effective execution of relevant policies and procedures. The Discipline Inspection Office of the Company (the "Party Inspection Office") is responsible for the construction of the Party's work style and integrity, as well as organizing and coordinating anti-corruption efforts. It supervises and inspects the integrity of key areas, important positions, and cadres and employees to ensure the Company's clean operation.

We improve the institutional system. The Company has thoroughly implemented the requirements of strict Party governance, steadfastly advanced the development of corporate work ethics, and reinforced the supervisory framework for officials to ensure strict discipline and self-regulation, as well as compliance with rules and regulations, among the Company's cadres and employees. We have formulated anti-corruption systems including the *Rules for the Leading Group on Inspection Work of the Party Committee, Measures for Building a Culture of Integrity in Finance*, and *Measures for the Supervision and Administration of the Clean Work Practices of Employees*, which apply to the headquarters and all subsidiaries. These systems regulate and constrain the conduct of all employees (including personnel dispatched by labor service agencies) in performing their duties, fulfilling job responsibilities, and conducting contractual business, effectively preventing moral risks, enhancing the integrity awareness of all officials and employees, curbing corrupt practices in business operations, and fostering a sound political ecosystem of integrity and a favorable environment for business development. During the reporting period, the Company issued the *Implementation Measures of the Party Committee on Strengthening the Construction of a Comprehensive Oversight System*, systematically promoting governance oversight, functional oversight, and public oversight, and deepening full and rigorous Party self-governance.

We intensify training efforts. We have continued to deepen publicity and education on Party discipline and laws, and launched integrity training covering the entire business chain and all employees, covering business compliance and anti-corruption ethical standards, to consolidate the ideological foundation for resisting corruption. During the reporting period, the Company issued the *Implementation Plan for In-depth Warning Education*, held a company-wide warning education conference, earnestly studied General Secretary Xi Jinping's important instructions and directives, reported on violations of the spirit of the central Party leadership's eight-point decision on conduct and typical cases of violations of laws and disciplines in the financial industry in recent years, and the deputy secretary of the party committee delivered a special lecture on integrity. A total of 4,000 employees across the Group attended and received education. We have strengthened education and training for discipline inspection cadres. Through organizing the study of the Supervision Law and its implementation regulations, conducting annual professional knowledge tests for discipline inspection cadres, recommending 14 cadres to participate in training programs organized by the Central Commission for Discipline Inspection and the Group, and seconding 77 personnel to participate in practical work such as case handling, inspection, and accountability, the Company has built a strong team of discipline inspection and supervision cadres who are loyal, clean, and responsible, providing solid talent support for advancing the Party's work of improving Party conduct, upholding integrity, and fighting corruption.

We deepen the construction of a clean and honest culture. We formulated the *Measures for Building a Culture of Integrity in Finance*, with the "Eight Integrity Initiatives" as the core, and comprehensively promoted integrity culture publicity and education through an "online + offline" integrated approach. All subsidiaries have actively developed distinctive integrity culture brands. Excellent practices have been promoted through the "Discipline and Integrity" column, and high-quality video content has been reposted and disseminated on the Group's "Qingfeng Messenger" platform, continuously enhancing the influence and leading role of integrity culture.

We strengthen supervision and discipline. We earnestly implemented the Party Committee's Inspection Work Plan for 2023-2027, and continuously improved the working mechanism of "pre-inspection training, in-inspection supervision, and post-inspection summary". Over the year, we conducted two rounds of inspections covering 11 subsidiaries. Under the guidance of CITIC Group, we inspected the international subsidiary and actively explored approaches to strengthening political oversight over overseas institutions. We strengthened whole-process supervision over inspection rectification to ensure the effective implementation of all rectification measures and continuously improve the quality and effectiveness of inspection work.

We protect the whistleblower's rights and interests. We formulated the *Detailed Rules for the Implementation of Petition Work* to accept oversight from the general public and internal employees. We timely handle letters, visits, calls and online reports, and dispose of all reporting matters in accordance with regulations, disciplines, prescribed responsibilities, authorities and procedures. We have optimized the workflow for receiving and responding to petition and report matters to maintain a fair and transparent internal environment. We disclosed on the Company's official website the scope of accepted reports for disciplinary inspection and complaint, along with contact details including mailing address, reporting hotline, and email address. We respect legitimate reporting requests from whistleblowers and protect their legitimate rights and interests by explicitly requiring petition staff to legally safeguard commercial secrets and personal privacy in the course of petition work. It is prohibited to disclose or transfer whistleblowers' accusation materials or relevant information to the persons or units accused, and any form of retaliation is forbidden, ensuring that whistleblowers effectively uphold the Company's ethical standards. The petition policy applies to the Company's employees, shareholders, investors, customers, suppliers, and other citizens, legal persons or organizations.

During the reporting period, the Company recorded no major bribery or corruption cases, nor any confirmed violations of laws and regulations that would have a material impact on the Group.

16.2.6.5 Anti-Money Laundering and Counter-Terrorist Financing

The Group strictly adheres to anti-money laundering and counter-terrorist financing laws and regulations, earnestly implements regulatory requirements, establishes and improves the organizational structure for anti-money laundering management, formulates the *Management Standards for Self-assessment of Money Laundering and Terrorist Financing Risks*, among other systems. A leading group for anti-money laundering work has been established to continuously strengthen the foundation of money laundering risk management and improve the quality and effectiveness of anti-money laundering management.

During the reporting period, we revised the *Internal Control Measures for Anti-Money Laundering and Counter-Terrorist Financing* and the *Detailed Rules for Money Laundering Risk Assessment and Customer Classification*. We organized and carried out 1 special internal audit on anti-money laundering (AML) and counter-terrorist financing in 2025, and conducted relevant self-inspections and rectification covering 33 branches and 8 subsidiaries, further enhancing the Company's anti-money laundering management capacity. We conducted self-assessments on money laundering risks, including risks related to money laundering, terrorist financing, and circumvention of targeted financial sanctions for non-proliferation prevention. The scope covered all business regions, clients, products, services and channels of the Company's headquarters and branches, and extended to the entire AML risk management process including decision-making, implementation and oversight. We continued to optimize the anti-money laundering system. In response to issues identified in special AML audits and daily operations, we completed data integration with newly launched business systems, advanced system access in accordance with regulatory requirements, optimized the blacklist retrospective screening function, and improved the manual identification process for suspicious transaction monitoring. In total, we organized 6 AML-related training sessions throughout the year, including 2 sessions on international sanctions risk. Participants included directors, management leaders, and staff from business, compliance, audit, technology and other departments, covering approximately 2,000 participants in total, which effectively improved the ability of all employees to perform their anti-money laundering duties.

During the reporting period, no units at any level of the Company were subject to anti-money laundering regulatory penalties, and no major money laundering risk events occurred.

16.2.6.6 Social Responsibility Management

16.2.6.6.1 Social Responsibility Concept

Upholding the mandate and mission of a financial asset management company, the Company centers its efforts on serving the real economy, preventing and controlling financial risks, and deepening reform and development. It actively implements national strategies, engages in rural revitalization, environmental protection and public welfare initiatives, continuously enhances its supporting role and contribution to economic and social development, and strives to create integrated value for national progress, customer interests, shareholder returns, investor rights and interests, employee well-being and social harmony. The Company actively embraces the UN Principles for Responsible Investment (UN PRI), further improves its ESG governance structure, integrates ESG factors into investment and asset management decisions, and upholds the philosophy of responsible investment through concrete actions, sustainably supporting the Company's sustainable development and value enhancement.

- For the country: We focus on our main responsibilities and services, serve the real economy, mitigate financial risks, and maintain the stability of the national economy and financial security.

- For clients: We provide high-quality financial services to help clients achieve value enhancement and corporate transformation.

- For shareholders and investors: We operate in a stable and compliant manner, continuously enhance corporate value, and achieve good returns for shareholders, investors, and the market.

- For employees: We build a professional platform, care for employee growth, enhance employee cohesion and sense of gain, and achieve the joint development of personal and corporate values.

- For society: We care for social development, enhance social welfare, actively respond to the national strategy of rural revitalization, and engage in targeted assistance, charitable donations, and other social welfare activities.

16.2.6.6.2 Stakeholder Engagement

The Company remains committed to maintaining close ties with all stakeholders, conducting all-round communication through diversified channels, and establishing a regular stakeholder communication mechanism. It systematically incorporates reasonable stakeholder expectations into daily operations and decision-making, formulates and implements effective measures, and proactively responds to stakeholders' legitimate aspirations. As a comprehensive presentation of the Company's ESG practices, this report aims to communicate the Company's ESG philosophy to stakeholders, systematically demonstrate the outcomes of its ESG initiatives, and further deepen exchanges and interactions with stakeholders.

Overview of Stakeholders' Main Concerns and Communication Channels Chart

Type of Stakeholder	Main Concerns	Main Communication Methods	Main Response Measures
Regulatory institutions	• Sound corporate operations • Comprehensive internal control system and risk management and control system • Actively fulfilling the social responsibility of financial enterprises	• Regular reporting • Participation in industry conferences • Official website • Official WeChat account	• Establish a comprehensive internal control system to enhance corporate governance and mitigate financial risks • Improve operational efficiency of the enterprise
Local governments	• Promoting the development of local and surrounding industries • Compliant operations • Paying taxes in accordance with the law	• Government meetings • Irregular visits • Supervision of government staff • Official website • Official WeChat account	• Increase employment opportunities and contribute to tax revenue • Cooperate with government supervision and improve internal compliance monitoring system • Abide by laws and regulations

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Type of Stakeholder	Main Concerns	Main Communication Methods	Main Response Measures
Shareholders and investors	• Sustainable and stable investment returns • Timely information disclosure • Compliant corporate operations	• Shareholders' General Meeting • Regular reports and corporate announcements • Information release channels such as investor meetings, earnings releases, and roadshows • Company investor relations phone and email • Official website • Official WeChat account	• Enhance business diversification and consolidate industry leadership • Receive investor visits, calls, and letters to strengthen effective communication and information disclosure • Improve the internal compliance system
Customers	• High-quality products and services • Timely response to customer requests • Providing comprehensive solutions	• Customer follow-up • Regular visits • Official website • Official WeChat account	• Establish a comprehensive service response system • Improve the customer complaint handling process • Develop service standardization guidelines
Community	• Supporting community development • Respecting community culture and participating in community activities	• Community representative survey • Daily visits • Official website • Official WeChat account	• Support the development of various community undertakings • Carry out community public service activities • Maintain good communication

Type of Stakeholder	Main Concerns	Main Communication Methods	Main Response Measures
Employees	• Broad career development opportunities • Great compensation and benefits • Comprehensive health and safety protection	• Internal website • Company newsletter • Employee Representative Assembly • Official website • Official WeChat account	• Improve internal management systems and frameworks for employee recruitment, promotion, etc. • Enrich employee life • Provide diversified work and life support for employees
Suppliers	• Fair, just, and transparent procurement process • Timely fulfillment of contractual agreements • Promoting corporate growth and achieving a win-win outcome	• Irregular quality communication meetings • Official website • Official WeChat account	• Ensure the transparency of the procurement process and accept internal and external supervision • Properly manage corporate cash and ensure timely payments • Promote communication and interaction with suppliers

16.2.6.6.3 Determination of Material Issues

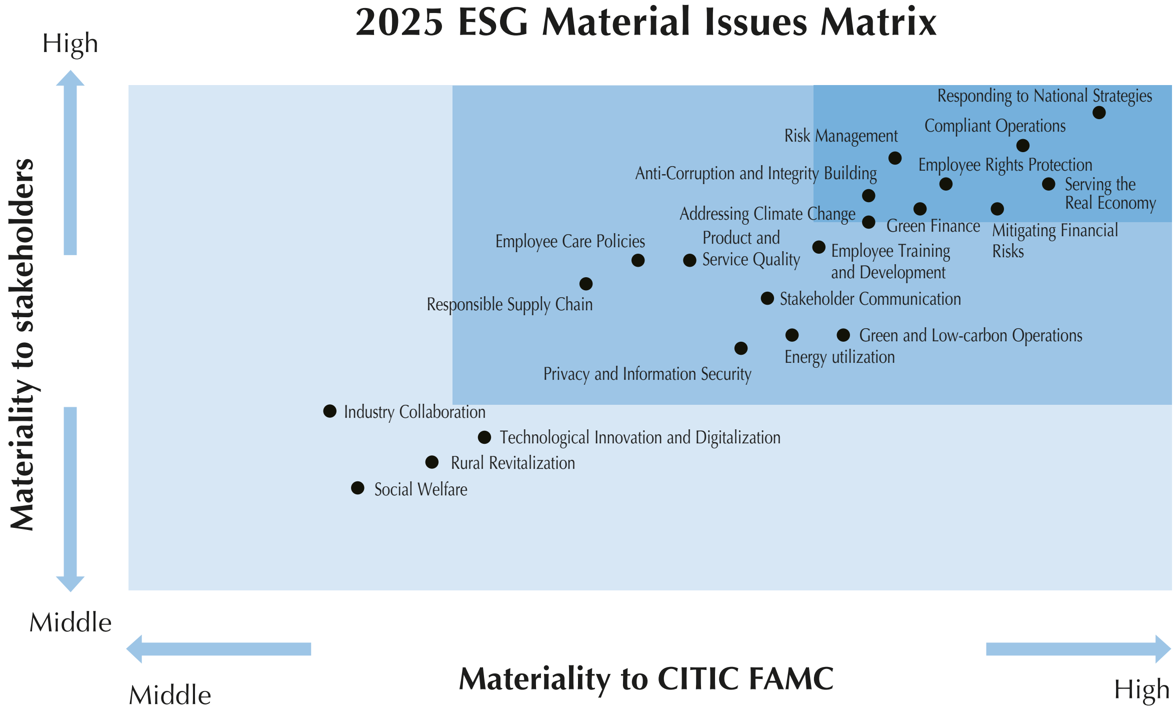
The Company has conducted extensive preliminary research and analysis based on the requirements of the ESG Code of the HKEX, leading rating agencies' ESG rating indicators, and regulatory policies, and has established a list of annual ESG issues. By conducting industry benchmarking studies and stakeholder surveys, we have widely collected opinions from internal and external stakeholders, and assessed the impact of each issue on external stakeholders and CITIC FAMC, identified 21 material issues closely related to the Company, which serve as important references for the formulation of the Company's ESG strategy, goal setting, and ongoing information disclosure. The issue assessment is carried out by an independent third-party consultant engaged by the company.

During the reporting period, the process for determining the material issues for the Company's ESG is as follows:

1. Identifying Relevant Issues: Through extensive benchmarking of HKEX ESG Code, ESG rating indicators, macro policies, and hot topic analysis, 21 social responsibility issues were evaluated and collected.
2. Surveying Attention Level: By distributing questionnaires to external and internal stakeholders, a total of 511 valid responses were collected.
3. Analyzing Impact: Through the questionnaires and combining key aspects of the Company's management operations, the impact of each issue on stakeholders was comprehensively assessed, and material issues were identified.
4. Prioritizing Material Issues: Based on the identification and analysis, the issues were ranked by importance, and a materiality matrix was developed, which served as a key reference for the preparation of the report.

During the reporting period, the results for determining the material issues for the Company's ESG are as follows:

2025 ESG Material Issues Matrix



16.3 Economic Responsibility

The Company focuses on the main responsibilities of financial asset management companies, fully leverages the unique advantages of rescue financial services, and supports national strategies. We concentrate on ensuring people's livelihoods, promoting the real economy, and mitigating financial risks, thereby contributing to the construction of a strong financial nation with CITIC FAMC's strength.

16.3.1 Serving National Strategies

The Company keeps in mind the responsibilities and missions assigned to financial asset management companies by the state. We delve deeply into the field of non-performing assets, vigorously support state-owned enterprises in deepening reforms, promote the development of free trade zones, actively contributing to regional economic and social progress, and vigorously responding to national strategies.

Case: Supporting the Reform and Development of Central and State-Owned Enterprises

The Company focuses on the demand for revitalizing existing assets such as "two non-core/non-advantaged businesses" and "two inefficient/ineffective assets" of central and state-owned enterprises, supporting the deepening and upgrading of state-owned enterprise reforms. Following the national development policies, the Beijing Branch has intensified its services for sectors related to national wellbeing and people's livelihood. It has actively cooperated with state-owned enterprises in new materials, infrastructure, rail transit, energy supply and other industries, providing full-cycle service solutions covering asset sorting, plan consultation and asset revitalization and disposal. By optimizing transaction structures, it helps enterprises reduce costs, strengthen core functions and enhance core competitiveness, and has gradually developed a distinctive model for asset management companies to serve the reform of central and state-owned enterprises. The Henan Branch has signed the Strategic Cooperation Framework Agreement on State-owned Enterprise Reform and Development Fund of Henan Province with 5 state-owned enterprises. The fund, totaling RMB20 billion, comprises sub-funds focused on industrial restructuring and market-oriented debt-to-equity swaps. Guided by market principles, the fund promotes the industrial restructuring and development of state-owned enterprises in Henan Province.

The Shandong Branch has actively supported the high-quality development of the real economy and proactively provided assistance for the reform, transformation, and development of state-owned enterprises. Through innovative business structure design, the Shandong Branch has developed a tailored package of comprehensive financial service solutions for a key provincial state-owned enterprise—specifically, a water conservancy engineering group, helping the group achieve phased goals such as optimized asset-liability structure, effectively improved operational efficiency and significantly enhanced profitability. Since the implementation of the project, the group's asset-liability ratio has dropped from 70% to 40%, its operation has turned from loss to profit, and the business volume has increased by nearly 10% year on year. This has further strengthened the group's capacity to support the construction and development of the provincial water network and meet basic livelihood needs, injecting strong impetus into its high-quality development.

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Case: Driving A New phase in Free Trade Zone Development

The Guangxi Branch fully leveraged its expertise as a financial asset management company, innovating business models through a combination of capital investment and strategic expertise. By virtue of the integrated industrial and financial strengths of CITIC Group, the branch collaborated efficiently with six CITIC subsidiaries to provide relief for the "Wuxiang Hangyang City" project, a representative commercial complex in autonomous region-level hub for financial and business services in Nanning City. With support from the Nanning municipal government, local courts, and administrators, it designed and implemented a comprehensive relief plan to resolve the debt crisis, ensuring the project resumed construction and operations. The initiative successfully settled tens of millions of overdue payments and wages for over 300 migrant workers, created 1,100 new jobs, mitigated loan delinquency risks for multiple financial institutions, and addressed the lack of large-scale commercial malls in the China (Guangxi) Pilot Free Trade Zone's central business district (CBD). This effort significantly stabilized the local economy and advanced Guangxi's free trade zone development.

The Grand Opening of Wuxiang Hangyang City in Nanning, Guangxi

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Case: Serving the High-quality Development of the regional Economy and Society

The Zhejiang Branch leveraged its expertise in non-performing asset management and resource integration, innovatively deploying mezzanine investment tools. By implementing a dual strategy of equity restructuring and management restructuring within the HSR partnership, the branch achieved effective relief and revitalization of the project, resolving the financial risks, stabilizing private capital participation, and ensuring the project's stable operation. The Hangzhou-Shaoxing-Taizhou High-Speed Railway (HSR) is one of the first pilot projects for private capital investment in China's railway sector. Led by a major private enterprise, a consortium of private investors formed a partnership to initiate construction under an innovative Public-Private Partnership (PPP) framework. Today, the HSR's daily passenger volume has surged from 8,900 at its launch to 26,000, significantly boosting socio-economic development in cities along the railway line and the broader Yangtze River Delta region.

The Heilongjiang Branch aggregated a straw comprehensive utilization corporate debts through asset package acquisitions to resolve conflicts among creditors with divergent interests. Meanwhile, the branch actively engaged strategic investors and industrial partners, introducing upstream and downstream stakeholders via equity participation, leasing, and strategic collaborations to revive the idle assets. This revitalized the plant's production and operations. The successful implementation of the project averted significant losses and halted further financial erosion for provincial and municipal government investments of nearly RMB1 billion, while establishing a comprehensive straw utilization industry with an annual output value exceeding RMB10 billion in eastern Heilongjiang Province. This initiative addressed employment and income growth for thousands of local workers and actively promoted regional economic development.

16.3.2 Supporting the Real Economy

The real economy is the basis of the national economy, and serving the real economy is the fundamental purpose of finance, representing the "great national interest". The Company fully leverages its functional positioning, serves the "needs of the nation" with what the "company can offer", and continuously strengthens financial services in key areas such as strategic emerging industries, the transformation and upgrading of traditional industries, and the conversion of old and new driving forces, thereby precisely supporting new quality productive forces and the high-quality development of the real economy.

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Case: Focusing on Strategic Emerging Enterprises

The Company proactively positioned itself in strategic emerging industries and key areas of technological innovation, employing a diversified toolkit including market-oriented debt-to-equity swaps, mezzanine investments, and M&A restructuring. Over the past three years, it has allocated over RMB25 billion to strategic emerging industries and ecological conservation sectors, spanning semiconductors, industrial gases, new energy, and advanced materials. This effort has injected financial momentum into cultivating new quality productive forces.

The Shaanxi Branch empowers the development of Xi'an Yanliang National Aviation High-Tech Industrial Base, conducted in-depth research on the needs of specialized, refined, distinctive, and innovative enterprises within the "large aircraft intelligent manufacturing" industrial park, delivering comprehensive value through management optimization, institutional innovation, and confidence-building. By introducing low-altitude economy players and upstream/downstream aviation industry partners, the branch enhanced the park's occupancy rate and industrial clustering. In addition, it tailored a full lifecycle financial services plan for the project, revitalizing existing state-owned assets of Shaanxi provincial enterprises. Through a positive cycle among technology, industry, and finance, the initiative injected liquidity into China's large aircraft industrial chain, advancing Xi'an's goal of becoming a world-class aviation city.

When a global leader in silicon-based new materials faced financing difficulties and excessive debts, the Zhejiang Branch and the Asset Management Division I of the headquarters flexibly combined tools such as "asset restructuring + debt restructuring + management restructuring", "capital injection for debt repayment + governance enhancement", and "equity conversion options + cash buybacks". This enabled the enterprise to achieve technological breakthroughs in the industrial silicon sector by leveraging continuous process optimization and energy management system innovations. The Company realized a significant increase in average daily production output and a substantial reduction in comprehensive energy consumption. Specific production lines achieved a daily output of over 70 tons per furnace, with comprehensive energy consumption per ton of smelting output reduced to below 10,000 kWh. These advancements facilitated technological progress and enhanced profitability, thereby contributing to the stable development of China's silicon-based materials strategic foundational industry.

The Qinghai Branch has delivered high-quality services to the development of "hidden champion" enterprises designated under the specialized, refined, distinctive, and innovative program, supporting a key equipment manufacturing enterprise in distress through asset acquisition. This has effectively alleviated the enterprise's financial distress and reduced its funding costs. As a national-level enterprise designated under China's specialized, refined, distinctive, and innovative program and prioritized by the Qinghai Provincial Party Committee, People's Government, and Financial Regulatory Bureau, this equipment manufacturing company serves as a core base for heavy equipment manufacturing. It undertakes critical R&D missions for national and provincial scientific projects, including the independently designed and constructed 68,000-ton press unit, which filled a domestic technological gap in this field. The branch's targeted injection of financial liquidity rapidly activated the enterprise's development momentum, further improving its production line and enhancing its annual production capacity to 2,400 large-diameter pipes and bars, and 100 million large-scale forged components. The Company successfully undertook verification and production tasks for multiple products. In the field of high-end equipment materials such as ultra-high-temperature thermal power plant tubes and nuclear reactor tubes, it achieved production capacity breakthroughs, providing critical industrial support for China's energy security.

16.3.3 Mitigating Financial Risks

The Company fully implemented the Central Committee's decisions on preventing and resolving financial risks, and effectively fulfilled the responsibilities and mission of a financial asset management company. Through diverse approaches, it actively participated in reforming and mitigating risks in small and medium-sized financial institutions, revitalizing distressed enterprises and project assets, and addressing risks in key regions. It has consistently prioritized public welfare, economic stability, and high-quality development, demonstrating its role as a financial "stabilizer" and "catalyst".

Case: Supporting the Reform and Risk Mitigation of Small and Medium-sized Financial Institutions

Upholding its main responsibilities and core businesses, the Company utilized rescue-oriented financial services and diversified tools to alleviate challenges through targeted support, serving people's livelihoods. It actively participated in the reform and risk mitigation of small and medium-sized financial institutions, targeting the acquisition of their non-performing debt to effectively prevent financial risks. It prudently advanced pilot programs for non-performing personal loan businesses, accumulating acquisitions of over RMB10 billion in non-performing personal loans, which spanned state-owned commercial banks, joint-stock banks, and city commercial banks, supporting institutional risk resolution while actively promoting individual credit rehabilitation.

The Liaoning Branch fully leveraged its unique strengths in preventing and resolving financial risks. In recent years, it accumulated the acquisition of non-performing asset claims totaling RMB28.59 billion from financial institutions within the province, involving 171 debt-owing enterprises. To support risk mitigation for small and medium-sized financial institutions, it acquired a total principal amount of RMB1.922 billion in non-performing debt from small and medium-sized banks. By focusing on high-risk projects within the province, the branch participated in implementing a series of restructuring initiatives with significant impact, effectively facilitating enterprise revitalization through restructuring. Addressing corporate risk mitigation and revitalization needs, the branch provided comprehensive service solutions to help businesses resume production, stabilize employment, and earned full recognition from governments, customers, and markets, actively contributing to maintaining regional economic stability.

Case: Helping Enterprises Mitigate Risks and Supporting Stable Development

The Shandong Branch provided diversified rescue-oriented financial services, supporting the bankruptcy reorganization of a high-end turbine manufacturing company. A steam turbine group in Qingdao, once one of the "Three Major and Four Minor" backbone enterprises of China's steam turbine industry, fell into management chaos and insolvency due to internal equity disputes. The branch collaborated with local state-owned enterprises to implement a substantive restructuring through property rights restructuring, management restructuring, and debt restructuring, resolving the enterprise's development challenges. In addition, leveraging CITIC Group's resources, the branch introduced advanced domestic and international technologies to support equipment upgrades and capacity expansion. It deployed a management team to optimize processes and established a "Master-Apprentice Mentorship Program" to strengthen talent and technological knowledge transfer. With comprehensive financial support, the Company allocated additional funds for production line upgrades, developing the φ600 and φ760 root diameter series KS high-efficiency units, improving the efficiency of 6MW-30MW back-pressure steam turbines by 3%-10%, significantly enhancing its market competitiveness, consolidating Qingdao's position in the steam turbine industry, serving as a vivid example of financial empowerment in high-end equipment manufacturing transformation.

A leading private healthcare enterprise in a certain region faced operational difficulties due to economic downturns and changes in pharmaceutical procurement policies. The Company addressed its historical debt issues by deploying comprehensive tools, including debt consolidation, debt-to-equity conversion, capital increase, and equity transfer, with an investment exceeding RMB1 billion. After the implementation, the enterprise's financial burden was significantly reduced, and operational vitality was restored. The enterprise commenced the construction of a new production expansion base, which is projected to generate an additional RMB2 billion in annual output value upon completion. R&D investments surged, with core product lines and service networks covering over 1,000 hospitals across 30 provinces. Surgical volumes supported by medical equipment grew by over 50% year on year compared to 2024, boosting gross profit margins by approximately 3 percentage points. The enterprise has now returned to a healthy and sustainable development trajectory.

16.3.4 Focusing on Livelihood Security

The Company consistently upholds the political nature and people-oriented nature of financial work, leveraging its expertise in financial asset management to innovate financial products and service models. Through project restructuring and revitalization, it resolves corporate debt risks and fulfills its role as a financial stabilizer in key areas such as stabilizing the property market and boosting consumption, promoting socio-economic development, safeguarding livelihoods, and demonstrating the responsibility and commitment of state-owned financial enterprises.

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Case: Leveraging Professional Expertise to Serve Public Welfare

Huitong Asset, prioritizing public needs, overcame major technical challenges after six years of effort to complete the Hongyancun Bridge-Tunnel Project in Chongqing. Spanning approximately 5 kilometers, the bridge-tunnel is a critical segment of Chongqing's "Three North-South Expressways", crossing the Jialing River and connecting four central districts in Chongqing. Its completion has improved local transportation conditions, supported the construction of an efficient, modern, three-dimensional transportation system, and provided strong backing for socio-economic development and livelihood improvement in the region. The project was awarded the National Quality Engineering Award – China Steel Structure Gold Award in the construction sector.

Huitong Asset focused on its main responsibilities and core businesses, proactively fulfilled its mission to safeguard people's livelihoods. It coordinated government task forces, financial institutions, and debtors to reach consensus through multiple risk-mitigation plans, successfully facilitated the restructuring and revitalization of a commercial enterprise project in Jiangxi Province, and prevented and resolved the risk of overdue loans amounting to over RMB10 billion across more than 10 financial institutions, ensuring the stability of commercial and office operations which support 200,000 jobs. It also served local "Six Stabilities and Six Guarantees" objectives, alleviated regional financial risks, and built a "firewall" for healthy economic development.

The Shenzhen Branch has actively leveraged its countercyclical regulation and rescue-oriented financial functions, successfully resolving the challenge of unfinished high-rise in core areas. As a key livelihood initiative in Shenzhen's first batch of urban renewal plans, the "Jinzhuan Haoyuan" Project was stagnant for over a decade due to the original developer's liquidity crisis, it left more than 600 relocated households without housing and RMB300 million in construction payments and migrant worker wages unpaid, threatening social stability. The branch proposed a comprehensive solution featuring "legal isolation, substantive control, closed operation, and restructuring" and collaborated with Luohu Investment Holdings and Shenzhen Asset to form a government-enterprise partnership and multi-party coordination mechanism for relief of the enterprise distress, achieving breakthrough progress in the project. It has not only resolved urgent housing resettlement issues for residents, safeguarded the legitimate rights of migrant workers, and ensured timely collection of state tax revenues, but also transformed the project into a model demonstration project for "guaranteeing housing delivery, livelihoods and stability". Following project resumption, it is expected to mobilize approximately RMB4.5 billion in fixed asset investments and generate RMB630 million in district-level tax revenues, injecting new vitality into regional economic and social development.

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Case: Supporting Urban Renewal, Driving Regional Development

In August 2025, the Company witnessed the fifth batch of property launches for the "Shanghai One Central Park" restructuring project, achieving instant sell-out within one hour. This milestone brought the project's 2025 sales volume to exceed RMB22 billion, maintaining its position as the top-selling single real estate project nationwide. As a rare super large scale urban renewal project in Shanghai's central district with a land area of 95,700 square meters, Shanghai One Central Park faced operational suspension in 2022 due to developers' liquidity crisis. The local government confronted dual pressures of livelihood protection and regional financial risk mitigation. With the strong support from the Huangpu District Government and regulatory authorities, the Company fully leveraged its core business advantages by leading the deployment of over RMB4 billion in distress relief funds. By leveraging CITIC Group's industry-finance synergies, the Company coordinated the collaborative efforts of various CITIC member units in customer communication, transaction structuring, risk isolation, entrusted management and construction, and project operations, successfully facilitating the project's restructuring and revitalization, effectively resolving payment challenges for demolition compensation involving 4,018 households and 87 enterprises. The initiative strongly supported local governments' objectives of "guaranteeing livelihoods, stability and housing delivery", enabled existing financial creditors to mitigate risks, preserved distressed developers' operational continuity, making positive contributions to urban renewal and regional economic development.

Fifth Batch Launch Ceremony of One Central Park Shanghai

The Tianjin Branch has comprehensively applied professional tools including substantive control, closed operations, and restructuring to restart a stalled project. Due to fund chain rupture caused by underperforming development and sales, the Tianjin Liuhe International Project was forced to halt construction on two urban-style apartment buildings and one Grade-A office building. This six-year suspension severely damaged urban aesthetics and involved over RMB2 billion in financial risks. The project's revitalization became a key 2025 people's livelihood initiative for Hexi District Government. The branch fully utilized its unique countercyclical rescue capabilities, tailored an innovative financial solution that balanced stakeholder interests, accelerated distress relief and construction resumption, and comprehensively enhanced revitalization effectiveness, and resolved the predicament of the stalled project. This successfully facilitated project resumption, playing a vital role in safeguarding security and livelihood baselines, boosting market confidence, and promoting high-quality local economic development.

16.4 Environmental Responsibility

The Company actively responds to the challenges of climate change, practices the concept of green finance, fully supports the national objective of "carbon peak and carbon neutrality", aligns with the trend of green low-carbon transformation, strengthens climate risk management, innovates green financial services, assists enterprises in low-carbon transformation, and promotes low-carbon operations, striving to advance the green finance agenda with practical actions.

16.4.1 Addressing Climate Change

In the context of increasingly severe global climate change, the Company actively fulfills its environmental responsibilities by integrating climate change responses into all aspects of our strategy and operations. We comprehensively address climate risks and seize opportunities for green development from four dimensions: governance, strategy, risk management, and indicators and targets.

16.4.1.1 Governance

The Company has established the governance body(s) responsible for oversight of climate-related risks and opportunities, while continuously enhancing the capabilities of the governance body(s) and relevant individuals in climate governance. For details on the Company's climate governance structure, please refer to "16.2.5 ESG Governance Structure".

- ***Appropriate skills and competencies***

The members of the Board possess robust expertise and extensive practical experience in environmental (including climate change) risk management. They actively participate in consultation and policy recommendations related to green finance legislation, promote the implementation of green energy projects, and continuously engage in specialized training and learning programs focused on climate governance and environmental protection to enhance their professional competence and capabilities. With a deep understanding of green finance and climate change issues, the directors are able to provide forward-looking, strategic, and constructive opinions and suggestions.

For example, Mr. Lu Minhan, the Company's independent non-executive director, serves not only as a member of the ESG committees of multiple listed companies but also as an environmental and sustainable development advisor to the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and several international and Hong Kong-based non-profit organizations, actively contributing to global sustainable development initiatives. Director Shao Jingchun, as a member of the Hainan Free Trade Port Legislation Advisory Committee, led the proposal of formulating the *Green Finance Regulations of Hainan Province*. The relevant recommendations were adopted by the Legislative Affairs Commission of the Hainan Provincial People's Congress and officially included in the subsequent Five-Year Legislative Plan. This effort provided strong support for the development of green finance systems at the local level.

During the reporting period, the Company provided all board members with authoritative regulatory policy interpretation materials, focusing on core topics such as sustainable development, green finance, and climate-related regulations, aiming to strengthen their understanding of the latest regulatory requirements and industry trends, while effectively enhancing the board's professional judgment and decision-making capabilities in areas including green finance and climate governance.

16.4.1.2 Strategy

- ***Climate-related risks and opportunities***

The Company attached great importance to the impact of climate-related risks and opportunities on business, strategy, and financial positions. We have systematically identified core climate risks and critical opportunities, and developed targeted management strategies to effectively mitigate climate-related risks while proactively seizing development opportunities.

Analysis of Climate-related Risks and Opportunities

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Climate-related physical risks						
Acute risks	• Increased frequency and intensity of extreme weather events (e.g., rainstorm, typhoon, flood, droughts)	Extreme weather events may lead to accelerated depreciation, physical damage or loss, value depreciation, and increased maintenance and disposal costs of collateral, as well as increased financial burden following early asset disposal and portfolio impairment, thereby undermining the collateral value and its risk mitigation effect on projects.	Short and medium term	No significant impact on the Company's financial condition.	For individual projects encountering such circumstances, the Company needs to recognize additional asset impairment losses, which will reduce the profits. However, from perspective of the company as a whole, the financial impact from extreme climate events on investment remains manageable due to the Company's diversified businesses, geographically dispersed collateral locations, and the relatively limited frequency and scope of acute climate risks.	Strengthen collateral admission criteria. In collateral selection, the Company should acquire core assets from debtors or investees to the extent possible. Priority should be given to collateral with clear ownership rights, stable valuation, strong market liquidity, ease of liquidation, and collateral subject to subsequent regulatory oversight. The Company should also establish clear admission criteria and selection requirements for collateral, and set maximum collateral rate tailored to different types of collateral. Strengthen post-investment monitoring of collateral. In post-investment management, the Company should implement a robust collateral risk monitoring mechanism. Quarterly on-site inspections should be conducted by two persons, covering physical status, legal ownership, valuation status, and market conditions. All inspection findings should be documented in formal records.

10 With reference to the schedule of economic and social development plans, the short-, medium-, and long-term timeframe definitions proposed in the *Enterprise Sustainability Disclosure Standards – Basic Standards (Trial)* by the Ministry of Finance, and the industry practices of peer financial institutions, we define short-term as within 1 year (inclusive), medium-term as 1-5 years (inclusive), and long-term as over 5 years.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
		Extreme weather events may result in the physical destruction or value depreciation of clients' capital goods and operational facilities, leading to a decrease in debt repayment ability and an increase in credit risk, which may subsequently affect the post-investment management of the project.	Short and medium term	No significant impact on the Company's financial condition.	Due to the Company's diverse business scope, well-balanced asset allocation, adherence to stringent concentration risk management requirements, and the relatively limited frequency and scope of acute climate risks, the financial impact from extreme climate events on investment remains manageable.	Strengthen projects' emergency response. For sudden extreme events, in accordance with the current post-investment management system, the business units are required to promptly convene emergency response meetings to assess risk profile, formulate response strategies, and report findings to headquarters.
		Rainstorms may cause water accumulation and seepage in basement areas and roof surfaces, affecting the normal operation of plumbing, electrical systems, and HVAC systems. Strong winds may damage exterior windows and roof-mounted equipment, increasing maintenance costs.	Short and medium term	No significant impact on the Company's financial condition.	Frequent occurrences of extreme weather events, such as rainstorms, may increase annual maintenance and emergency costs. If extreme weather becomes normalized, additional investment is needed to upgrade flood prevention and wind resistance facilities for office buildings Extreme weather also accelerates equipment deterioration, which may shorten equipment replacement cycles and increase capital expenditures.	Conduct regular inspections of roof drainage systems, underground flood prevention facilities, and waterproofing measures for plumbing and electrical systems, along with emergency drills. Purchase property insurance for office buildings to cover losses from weather-related disasters.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Chronic risks	• Long term climate change patterns (e.g., rising average temperatures and rising sea levels)	Chronic climate risks may lead to accelerated depreciation, physical damage or loss, value depreciation, and increased maintenance and disposal costs of collateral, as well as increased financial burden following early asset disposal and portfolio impairment, thereby undermining the collateral value and its risk mitigation effect on projects.	Short, medium and long term	No significant impact on the Company's financial condition.	Due to the diversity of assets managed by the Company and the relatively limited progression and impact of chronic risks, it is not expected to have a significant negative impact on the Company's financial condition.	Strengthen collateral admission criteria. In collateral selection, the Company should acquire core assets from debtors or investees to the extent possible. Priority should be given to collateral with clear ownership rights, stable valuation, strong market liquidity, ease of liquidation, and collateral subject to subsequent regulatory oversight. The Company should also establish clear admission criteria and selection requirements for collateral, and set maximum collateral rate tailored to different types of collateral. Strengthen post-investment monitoring of collateral. In post-investment management, the Company should implement a robust collateral risk monitoring mechanism. Quarterly on-site inspections should be conducted by two persons, covering physical status, legal ownership, valuation status, and market conditions. All inspection findings should be documented in formal records.
		High summer temperatures may lead to extended air conditioning operating hours and a year-over-year increase in energy consumption for office buildings.	Short, medium and long term	Air conditioning electricity consumption in summer has increased compared to 2024.	With the continuous rise in annual electricity consumption and year-on-year growth in electricity costs, operating expenses have increased accordingly.	To address this, the Company set temperature limits for air conditioning systems in office buildings and optimized their operating duration.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Climate-related transition risks						
Policy and regulatory risks	• Regulations on environmental protection are becoming increasingly stringent • Requirements for climate information disclosure are more stringent	These trends may increase carbon emission costs for high-carbon enterprises or necessitate additional investments in decarbonization retrofit projects, leading to higher operational expenses, reduced profitability, and weakened debt-servicing capacity. Consequently, post-investment management requirements for such enterprises could be impacted.	Short and medium term	The overall risk is basically controllable. No significant negative impact on the Company's financial condition.	Investment portfolio depreciation. Changes in revenue structure.	Strengthen the admission controls for projects in high-pollution, high-emission industries and enhance monitoring of their post-investment operations.
		The HKEX has explicitly mandated climate-related disclosures. Non-compliance may result in regulatory penalties.	Short and medium term	No significant negative impact on the Company's financial condition.	Increase in operating costs.	Continuously enhance climate risk management framework to ensure alignment with disclosure regulations and improve transparency in reporting.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Technology risks	• With the rapid development of low-carbon technology, high carbon industries and products are facing increased pressure and competition • Low-carbon transformation involves upfront investments and operational expenditures during deployment phases	These factors may result in producers of high-carbon products failing to achieve the expected economic returns, high costs of low-carbon technology investments, or technological investment failures, thereby adversely affecting business operations and solvency, and may subsequently affect post-investment management requirements for such enterprises.	Short and medium term	The overall risk is basically controllable. No significant negative impact on the Company's financial condition.	Investment portfolio depreciation. Changes in revenue structure.	Strengthen the admission controls for projects in high-pollution, high-emission industries and enhance monitoring of their post-investment operations.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Market risk	• Changes in market demand or consumption behavior during the low-carbon transformation process • Rising raw material prices during the low-carbon transformation process	Under the guidance of the low carbon transformation policy, capital allocation preference will be significantly adjusted to transfer from high emission areas to low carbon areas in an accelerated pace. This structural shift will reshape the market supply and demand patterns, which could pose multiple operational challenges to the overcapacity industries and industries with high energy consumption and high pollution under the Company's management, as well as traditional high emission assets and investment targets, including pressure on end product prices, rising costs of key raw materials, and mismatch between product offerings and evolving market demand.	Short and medium term	No significant negative impact on the Company's financial condition.	Investment portfolio depreciation. Changes in revenue structure.	Optimize investment portfolios by increasing allocations to low-carbon sectors and refining asset allocation strategies. Provide financial support for technology transformation and upgrading to clients in high carbon industries to help them adapt to changes in market demand. Strengthen market research and forecasting capabilities, establish market demand monitoring mechanisms, and proactively position for emerging growth areas.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Reputational risk	• During the low-carbon transformation, companies failing to proactively respond to climate actions are more likely to face stakeholders' challenges, leading to damage to corporate brand image and reputation, impact on financial results, constrained growth opportunities, and potential credit rating downgrades or trust crises.	No climate-related reputational risks have been identified to date, with a low likelihood of negative impacts.	Short and medium term	No significant negative impact on the Company's financial condition.	Increase in financing costs. Increase in operating costs.	Strengthen public opinion monitoring, regularly monitor and provide early warning for climate-related reputational risks, and promptly respond to public concerns on potential negative events.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Climate-related opportunities						
Resource efficiency	• Enhance resource utilization and reuse efficiency, and reduce unnecessary resource consumption. • Make buildings eco-friendly, low-carbon, and sustainable. • Gradually promote digital and intelligent technologies in daily operations and business processes.	Advocate for green office practices and improve resource efficiency through paperless workflows, strengthened resource recycling, and reduced water usage in daily operations.	Short, medium and long term	No significant impact on the Company's financial condition.	In the short term, these may lead to an increase in operating costs. In the long run, operating costs will decrease.	Replace public area lighting in office buildings with LED energy-saving radar lamps to lower electricity consumption. Other energy-saving and emission-reduction initiatives including recycle clean water from break rooms providing direct drinking water for cleaning tools and supplies, helping reduce water wastage.
Energy source	• Energy consumption is shifting toward low-carbon sources, driven by the rapid development of the green energy sector. • Reduce reliance on traditional fossil fuels and actively adopt clean energy	Promote the use of clean energy and reduce reliance on traditional energy.	Short, medium and long term	No significant impact on the Company's financial condition.	In the short term, these may lead to an increase in operating costs. In the long run, operating costs will decrease.	Implement energy efficiency enhancement projects to promote energy conservation in office spaces, including adopting LED lighting systems and smart climate control technologies to reduce overall energy consumption and improve energy efficiency. Enhance employees' awareness and engagement in low-carbon operations, and encourage energy-saving behaviors.

Types of climate risks/ opportunities	Relevant factors of climate risks/ opportunities	Impacts on corporate business model and value chain	Timeframe of impact[10]	Financial impact on the Company for the current period (2025)	Anticipated financial impact on the Company	Responses (strategy and decision-making)
Market opportunities	Against the backdrop of China's "Dual Carbon" strategy, more market opportunities in the green finance sector emerge in pursuing green finance.	Since the proposal of the "Dual Carbon" goals (reaching peak carbon dioxide emissions before 2030 and carbon neutrality before 2060), China's green finance market has entered a fast track of accelerated development. Green financing demand continues to grow, with huge room for green investment expansion in financial institutions.	Medium-to-long term	No significant impact on the Company's financial condition.	Changes in revenue structure.	Research development pathways under the "Dual Carbon" strategy, seize market opportunities aligned with the "Dual Carbon" goals and drive growth in green finance and transition finance.
Resilience	• Strengthen the Company's green and low-carbon brand image by collaborating with upstream and downstream partners to advance low-carbon transformation.	Enhance climate adaptation and response to climate change, strengthen resilience planning in terms of infrastructure and office environment. Proactively improve disaster recovery capacity, strengthen disaster recovery infrastructure, and upgrade the production emergency response system.	Medium-to-long term	No significant impact on the Company's financial condition.	In the short term, these may lead to an increase in operating costs. In the long run, operating costs will decrease.	Integrate green and low-carbon concepts into the Company's long-term development strategy, exploring and formulating specific implementation paths and goals.

- ***Climate stress testing***

The Company adopted a "bottom-up" approach, using carbon pricing as a stress scenario factor. With the end of 2024 as the baseline date, the Company evaluated the impact of climate transition risks on asset quality over a future period. This test covers high-carbon industries such as steelmaking, chemical manufacturing, and non-ferrous metal smelting, which are among the Company's top ten investment assets.

According to the test results, under the predefined stress scenarios, the impact of climate transition risks on the operating costs of high-carbon industry clients is limited. Consequently, no substantive impact on asset quality has been observed, and the risks remain manageable. Additionally, as these clients have disclosed their low-carbon development roadmaps, they are expected to continuously strengthen their capacity to respond to long-term policy shocks, which help further mitigate associated risks.

- ***Transition plans***

In terms of green finance, the Company proactively integrates green finance into its strategic framework, steadily advancing the deployment of key green finance businesses. In terms of green operations, we continue to promote green and low-carbon office practices, implement energy-saving and emission-reduction upgrades, and actively advance carbon reduction initiatives. Further information is detailed in "16.4.2 Developing Green Finance" and "16.4.3 Practicing Green Operations".

16.4.1.3 Climate Risk Management

- ***Management structure***

The Group has fully integrated climate-related risk factors into its "Three-level, Three-line" risk management framework to effectively enhance capabilities in identifying, assessing, and managing climate-related risks.

Three-level structure

- **The first level**

  The Board assumes the ultimate responsibility for comprehensive risk management (including climate risk).

- **The second level**

  The Management oversees the implementation of climate risk mitigation initiatives, coordinates green finance development across business lines and business units, and continuously improves climate risk management standards.

- **The third level**

  The Risk Management Department of the Company serves as the lead department for comprehensive risk management and the designated management department for climate-related risks. It is mainly responsible for daily monitoring and management of relevant risks based on the actual business development of the Company. Meanwhile, at the corporate level, relevant departments collaborate to implement specific climate risk management tasks in strategy planning, business operations, and finance, based on clearly defined roles and responsibilities. Each business unit is responsible for understanding and implementing the Company's risk control objectives and requirements. They integrate these objectives into their own operational goals, management frameworks, and business strategies, and assume primary responsibility for preventing various risks – including climate risks – throughout their business activities.

Three lines of defense

- **First line of defense**

  The Business Department is responsible for managing and controlling the risks, implementing access criteria for green finance business and effectively oversee climate risk management.

- **Second line of defense**

  The Risk Management Department is responsible for organizing and carrying out climate risk management tasks to prudently respond to climate risks.

- **Third line of defense**

  The Internal Audit Department monitors and evaluates the effectiveness of green finance policy execution, the robustness of green finance business processes and controls, and the adequacy of climate risk management.

- ***Management policies***

The Company has incorporated climate and other environmental factors into its comprehensive risk management system, and has clarified the management responsibilities and requirements for relevant risks in the *Comprehensive Risk Management Measures*, with a focus on the potential impact of climate and environmental changes on the Company's business risk profile.

- ***Management mechanisms***

Identification, assessment, management, and monitoring processes

Identification

- With reference to the requirements of regulatory authorities and the listing rules of the HKEX, and in consideration of climate-related policies and industry analysis results, review and identify climate-related risks and opportunities.

Analysis and assessment

- Based on the Company's actual circumstances and expert judgment, assess the impact of climate-related risks and opportunities on the Company, including their effect on the business model and value chain, the timeframe of the impact (short-term, medium-term, long-term), and the financial impact on the Company.

Monitoring and management

- The Company monitors the impact of climate change on its operations and financial condition, and develops management strategies and response based on monitoring results and assessment outcomes.

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Incorporate climate risk response into business policies

The Company formulated the *2025 Guiding Opinions on the Development of Restructured Business Lines*, which explicitly sets out key areas in its ecological and environmental protection initiatives such as energy conservation and carbon reduction, clean energy, green transportation, and green smart manufacturing. In alignment with these priorities, the Company strengthened business innovation, fully leveraged its functional advantages as a financial asset management company, and promoted the implementation of a number of demonstrative green finance projects. We actively promoted the green transformation of traditional industries, relied on our experience in unlocking the potential of existing assets, and supported traditional manufacturing industries in implementing low-carbon transformation of production processes, promoting clean energy use, tapping energy saving potential, recycling old facilities, and upgrading equipment, so as to continuously improve the quality and efficiency of green financial services. To reinforce environmental risk management of business, the Company established and issued key regulatory documents, including the business review guidelines manual, *Guidelines for Business Review of Coal Industry*, which clearly require business operators and reviewers to conduct detailed investigations and professional judgments on the energy consumption level, environmental qualifications, and other aspects of the project during due diligence and business review processes. Projects with high energy consumption, backward production capacity, or non-compliance with environmental standards will not proceed. In terms of business selection, climate-related risk identification and management should be conducted.

Embed climate risks in business approval process

The Company comprehensively considers climate and environmental factors during the review and approval process, with particular emphasis on production processes, resource energy consumption, and pollution control management in industrial entity projects to achieve systematic and standardized management of climate and environmental risks. For example, in terms of industry analysis, we pay attention to “industry policies and guidance”, assess whether the industry falls under green and low-carbon sectors supported or encouraged by the nation, monitor the latest policy developments and impacts, and evaluate the implementation of local policies on energy dual control, dual carbon goals, and air pollution prevention and control. These efforts help us to systematically analyze the impact of energy consumption indicators and emission standards on industry development. In terms of project review, we focus on assessing “energy security and environmental protection requirements”, including the completion status of the control targets in total energy consumption and energy consumption intensity of the regions where the project operates; the extent to which counterparties are affected by the “Dual Carbon” goals; their carbon emissions, participation in carbon trading, implementation of energy conservation and emission reduction measures, and upgrades of equipment and technology; as well as the impact of relevant environmental policies on their operating costs and profitability.

Capacity building for climate risk response

To systematically enhance the capability of business lines in identifying and managing climate and environmental risks, the Company organized two special training sessions on key businesses during the reporting period to embed environmental protection and work safety requirements into the review criteria.

Training Session 1: Market-oriented DES Business and Green Access Criteria

In February 2025, the Company organized a training session on the review guidelines for market-oriented DES business. The training targeted risk directors and business review personnel from branches and subsidiaries, as well as business staff from headquarters and business units. The session emphasized that enterprises eligible for market-based DES should not only meet basic financial requirements but also ensure that their main production equipment, products, and capabilities align with national industrial development priorities. Additionally, these enterprises should demonstrate that they possess advanced technology and marketable products, and comply with mandatory environmental protection and safety production standards, which help guide capital flow toward green, sustainable, and high-quality enterprises from the source.

Training Session 2: Coal Industry Business Strengthens Full Chain Environmental Risk Control

In September 2025, the Company organized specialized training on business review guidelines for the coal industry under close monitoring. Participants included risk directors, personnel of the business review line, and business cadres in branches and subsidiaries. The training addressed climate and environmental risk management requirements, further detailed environmental protection and work safety review standards, and focused on three core areas of policy compliance, completeness of production qualifications, and negative list management. This initiative aims to effectively enhance risk identification and prevention capabilities during the business access process and promote the implementation of sustainability principles in key industries.

16.4.1.4 Sustainable Development-linked Remuneration

The Company formulated the *Implementation Plan for Advancing the 'Five Priority' on Finance*, which incorporates green finance and all other key metrics that support national strategies, the real economy, and sustainable development into the KPI framework of the headquarters and the performance evaluation framework of branches, subsidiaries and other business units. The assessment results serve as one of the bases for assessing the performance ratings of all departments and business units, and are closely linked to annual remuneration incentives to effectively promote the alignment of strategies and incentive mechanisms.

16.4.1.5 Metrics and Targets

- ***Climate-related targets***

The Company implemented the national strategy for ecological conservation and "Dual Carbon" goals by establishing a task force under the leadership of the Company's management to advance the "Five Priority" on finance. It actively supported the development of green industries, and accelerated the enhancement of green finance service effectiveness. The task force steadily advanced energy-saving and emission-reduction initiatives, continuously promoted cost reduction and efficiency improvement, drives energy conservation in office premises, promoted low-carbon office practices, advocated for green travel, and contributed to building an environmentally friendly green enterprise.

- ***Greenhouse gas emissions***

The Company made steady progress in managing the carbon footprint of its operations by further disclosing Scope 3 GHG emissions (Category 5 and Category 6) in the current year and orderly expanding the disclosure of other Scope 3 GHG emissions in the future.

Greenhouse gas emissions data

Scope	Emission factor	Unit	2025
Scope 1 and Scope 2 GHG emissions	Emission factors in the National Greenhouse Gas Emission Factor Database and the *GHG Emission Accounting Methods and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)*	Tons of carbon dioxide equivalent	**56,273.13**
Scope 1 GHG emissions		Tons of carbon dioxide equivalent	**1,696.74**
Scope 2 GHG emissions		Tons of carbon dioxide equivalent	**54,576.39**
Scope 1 and Scope 2 GHG emissions per capita		Tons of carbon dioxide equivalent/ person	**11.88**
Scope 3 GHG emissions	Emission factors in the China Products Carbon Footprint Factors Database	Tons of carbon dioxide equivalent	**16,369.67**
Category 5- GHG emissions from wastes generated in operations		Tons of carbon dioxide equivalent	**9,281.03**
Category 6- GHG emissions from business travel		Tons of carbon dioxide equivalent	**7,088.64**

GHG emissions measurement information

Emission category	GHG emissions from the Company's operations mainly include carbon dioxide, methane and nitrous oxide. Such GHG emissions primarily stem from energy consumption, waste disposal, and employee business travel, encompassing Scope 1, Scope 2, and Scope 3 emissions. Scope 1 covers direct emissions from the burning of fossil fuels such as gasoline, diesel, natural gas and liquefied petroleum gas. Scope 2 covers indirect emissions from purchased electricity and heat. Scope 3 Category 5 includes other indirect emissions from municipal solid waste (including kitchen waste) disposal, while Category 6 includes other indirect emissions from business travel such as air travel, high speed rail, car hailing and hotel accommodation.

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Standards used and source of the emission factors	• *Greenhouse Gas Protocol: Enterprise Accounting and Reporting Standards (2004)* • *Greenhouse Gas Protocol: Enterprise Value Chain (Scope 3) Accounting and Reporting Standards (2011)* • *2006 IPCC Guidelines for National Greenhouse Gas Inventories (revised in 2019)* • *Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2024* • *GHG Emission Accounting Methods and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial)* • China Products Carbon Footprint Factors Database
Calculation formula	Tons of carbon dioxide equivalent=activity data x emission factors x global warming potential (GWP)
Calculation method	Operational control approach
Operational boundaries	Headquarters, branches, and subsidiaries with operational control

16.4.2 Developing Green Finance

16.4.2.1 Green Finance Development Strategy

Green development is the foundation of high-quality development. Advancing green finance is a critical component for supporting the green transformation of the real economy and achieving high-quality development. The Company comprehensively implemented the spirit of the 20th National Congress and subsequent plenary sessions of the Communist Party of China, and executed key deployments from the Central Financial Work Conference. In supporting national ecological conservation initiatives and the "Dual Carbon" goals, the Company actively expanded the scope and depth of green finance, fully integrating it into the its development strategy by developing and *implementing the Implementation Plan for Advancing State-Owned Enterprise Reform* and the *Implementation Plan for Advancing the 'Five Priority' on finance*. We continued to expand the supply of green finance products, support the green transformation of traditional industries, and empower the growth of low-carbon enterprises, effectively empowering green development through financial mechanisms.

We strengthen green financial services. Focusing on areas such as clean energy, green transportation, green smart manufacturing, energy conservation and decarbonisation, and ecological environment protection, we strengthened green financial services, and implemented typical projects related to green finance.

Case: Promoting High-quality Development of Environmental Protection Enterprises

The Beijing Branch effectively leveraged its advanced valuation techniques and multi-dimensional risk pricing capabilities as an asset management company to design structured relief and collaborative empowerment solutions for the energy industry, providing comprehensive financial support to State Grid Xinyuan, a leading enterprise in the construction and operation of domestic pumped storage power stations, from debt resolution to capital increase. In 2025, the branch invested RMB2.6 billion in State Grid Xinyuan to support the orderly development of its pumped storage power stations and continuously reinforce its leadership in the sector. Seventy percent of the proceeds were allocated to pumped storage projects in remote mountainous regions of central and western China. This initiative is expected to leverage project investments exceeding RMB300 billion, stimulate growth in equipment manufacturing, construction and installation, and scientific research and development, drive downstream industrial investments, create employment opportunities, serving as a robust green driver for high-quality economic and social development.

The Tianjin Branch developed a package of plans centered on "relieve burdens and strengthen management before setting out the journey" for the transformation and upgrading of an enterprise that has long focused on environmental protection. By leveraging the collaborative advantages of the CITIC Group and its core functions of as a financial asset management company, the branch activated the enterprise's digital transformation potential and tapped into its strengths in new technologies such as AI and IoT applications, and smart operations to help revive its IPO plan. In the market dimension, the branch supported the enterprise in expanding services beyond Tianjin to cities nationwide, allowing its core business to thrive in broader markets. In business, the branch promoted the extension of business from traditional sanitation to emerging fields such as sewage treatment, garbage recycling, material sorting and recycling, helping the enterprise to grow into an environmental operator with strong comprehensive strength. In terms of capital, the branch accelerated the enterprise's shareholding reform and launched the listing plan in a timely manner, enabling it to leverage capital markets for sustained green and low-carbon development in the Beijing-Tianjin-Hebei region and the Bohai Rim area.

The Ningxia Branch, based on the local new energy development status and the actual needs of enterprises, provided nearly RMB1.9 billion in financial support to a photovoltaic power generation enterprise in Ningxia, coordinating multiple parties including creditors, investors, and managers to promote the enterprise's bankruptcy reorganization, successfully revitalizing the enterprise's 300-megawatt photovoltaic power generation project. After the enterprise resumes normal operations, it is expected to generate over 450 million kWh of new energy power annually, saving 350,000 tons of carbon emissions, equivalent to saving about 135,000 tons of standard coal, with annual revenue exceeding RMB300 million. Both carbon emission savings and revenue are expected to increase by over 30% compared to those before the restructuring.

We advance green transformation and upgrade of traditional industries. By leveraging the advantages brought about by revitalizing existing assets, we actively supported traditional manufacturing industries in achieving low-carbon transitions in production processes, promoting clean energy use, tapping energy saving potential, recycling old facilities, and upgrading equipment.

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Case: Empowering Enterprises for Green and Low-Carbon Transformation

The Henan Branch successfully implemented a relief project for a large aluminum enterprise through debt acquisition and asset restructuring, effectively revitalizing the enterprise's inefficient assets, mitigating litigation and credit risks arising from debt defaults, and enhancing its asset value and profitability. After stabilizing the enterprise, in response to customer needs, the branch extended its service chain and invested RMB247 million to support the listed company of the enterprise group in implementing equity mergers and acquisitions, helping the enterprise optimize its organizational structure, and reduce production costs. After the implementation of the project, the proportion of green capacity of the enterprise increased from 35% to 70%. The enterprise's operational status has continuously improved, generating positive social feedback.

Case: Promoting the Implementation of Overseas Green Credit Projects

The International Company actively responded to regulatory policies. By leveraging market-driven mechanisms, it successfully completed the first asset acquisition business of a restructured foreign commercial bank and launched the first green credit project overseas. The project assumed HKD1.01 billion in green syndicated loan from a foreign bank syndicate via a discounted acquisition, effectively alleviating liquidity pressures on the enterprise and thereby mitigating non-performing risks for financial institutions in the Hong Kong and Macao. The subject property was recognized with platinum certificate by the Hong Kong Green Building Council Limited (HKGBC), and the operator continued to optimize building energy efficiency and promote the development of a low carbon community. This transaction enhanced the International Company's capability in identifying value within overseas green assets, demonstrating its commitment to green finance strategy and contributing to regional environmental protection and emission reduction goals.

Case: Green Finance and Technology Finance Empowering New Energy Enterprise's Innovation Program

The Anhui Branch, in fulfilling its main responsibilities, with a focus on serving the real economy through technology finance, and an understanding of the core missions of technology finance and green finance, designed a tailored solution to lower debt ratios, unlock production capacity and amplify green benefits through technology finance for a new energy enterprise. Specifically, it revitalized an enterprise engaging in cutting-edge energy storage battery cells, which is also an exemplary zero-carbon manufacturer, based in old revolutionary base areas. The effort injected new vitality into the enterprise's operations, created local employment opportunities, and achieved a win-win outcome for both economic returns and social impact.

16.4.2.2 Empowering Green Finance Talents

The Company regularly conducts industry research and training sessions, analyzes and interprets the industry developments and trends covering nearly 30 key industries such as petroleum and petrochemical, warehousing and logistics, and livestock breeding. Through in-depth analysis and interpretation of industry dynamics, the Company effectively identifies and mitigates climate-related risks while proactively advancing innovation and sustainable development of green finance business.

Case: Internal Training on Industry Research and Results

From May to July 2025, the Company held a special training program on industry research on a weekly basis, with a total of seven activities covering 26 segments such as green energy. The program achieved comprehensive outreach to headquarters and all branches and subsidiaries, reaching nearly 1900 participants. Delivered by industry research teams, the training aimed to accelerate the application of research results, helping business professionals gain insights into industry trends and client needs. This significantly enhanced their foresight and expertise, further strengthening the Company's core competitiveness of core businesses. Notably, the green energy training sessions were closely aligned with China's "Dual Carbon" goals and the evolving demands of green finance, continuously empowering the Company to deepen its strategic focus on the "Five Priority" on finance, including green finance.

Case: External Special Research Activities

In 2025, the Company continued its series of research activities titled "CITIC FAMC Support: Promoting High-Quality Development Together", organizing industry research teams to conduct on-site visits and field research at 19 enterprises. This enabled teams to gather first hand market insights and deepen their understanding of industry developments. During the reporting period, the Company's industry research team had cumulatively supported 86 business units, involving 69 projects, providing robust industry research references and decision-making support to enhance the quality and effectiveness in serving the real economy.

16.4.3 Practicing Green Operations

In strict adherence to relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China,* and the *Urban Household Waste Management Measures*, we practice the concept of green low-carbon office, advocate for green travel, reduce waste generation, implement energy conservation and emission reduction, and strive to build a green enterprise.

16.4.3.1 Green Operations Initiatives

We strengthen energy-saving awareness and promote green office practices. Through meetings, promotional platforms, and other forms, we continuously conduct energy-saving campaigns, promote low-carbon knowledge, advocate for green office practices. We encourage employees to take small actions, cherishing every kilowatt of electricity, every drop of water, and every sheet of paper, to effectively enhance the energy-saving awareness of all staff.

We explicitly require rational use of lighting, air conditioning, computers, and other equipment, urging employees to turn off some lights during lunch breaks and overtime, as well as to shut down unused computers or set them to energy-saving mode promptly. We ensure that all electrical appliances in the office are turned off after work and that the air conditioning is set to a reasonable temperature. We actively respond to government initiatives by improving facilities, enhancing the daily maintenance management of water equipment and strengthening publicity and education through education to improve water resource utilization efficiency. We post “Save Water” reminders, control faucet flow, and switch from continuous flushing to intermittent flushing. We also built cup-washing sinks in break rooms providing direct drinking water, with wastewater collected in designated containers. Additionally, we promote water reuse in the cafeteria, such as using rice washing water for dish washing. The Company encourages paperless office practices to minimize paper consumption. We choose double-sided printing for office paper and post “Save Paper” reminders on printers.

We optimize resource allocation and strengthen energy conservation and emission reduction. We prioritize methods such as relocating between floors when adjusting office space to minimize the purchase of new workstations and reduce procurement costs. When purchasing office equipment, we give preference to energy-saving and energy-efficient products and select green materials with good environmental compatibility for main materials to conduct energy conservation and emission reduction at the source. We replace old lighting fixtures with LED energy-saving lamps to lower energy consumption. Install additional electricity and water meters in high energy consumption areas to enable precise monitoring of energy usage data. We actively respond to HKEX’s paperless communication policy by prioritizing electronic channels for information disclosure, and reasonably reducing the number of printed copies of our regular reports and circulars in compliance with relevant requirements, contributing to energy-saving and emission-reduction goals.

We optimize recycling management to reduce waste emissions. In waste recycling management, the Company specified that retired assets should be recycled and processed by certified recycling agencies to enhance its recycling efficiency of retired assets. The Company cooperates and enters into agreements with qualified professional agencies for hazardous waste collection and disposal, ensuring office consumables (e.g., light bulbs, scrap paper) are recycled by third-party entities. This guarantees the entire waste management lifecycle remains secure, controllable, and environmental friendly. Following the principle of reuse, we reallocate internal equipment to make full use of existing resources, and centrally donate equipment that meets the scrapping criteria but still has value.

In waste classification management, the Company strictly follows government guidelines to implement waste classification and recycling policies, ensuring the reasonable allocation of classified trash bins in the office area to enhance classification accuracy. Through mechanism improvement and employee engagement, waste classification effectiveness was significantly enhanced in 2025 as compared with 2024.

We advocate for green procurement and low-carbon office assets. In accordance with the *Centralized Procurement Management Measures*, the Company prioritizes the procurement of energy-saving and environmental-friendly products while ensuring risk control and product availability. In 2025, an energy-saving indicator scoring mechanism was introduced for desktop and laptop computer procurement projects, granting more weight to suppliers with the China Energy Conservation Product Certificate. By promoting the construction of green supply chains from the source of procurement, we fulfilled the corporate social responsibility for environmental protection. In office facility construction and equipment procurement, the Company prioritized eco-friendly materials and energy-efficient products to reduce energy consumption and environmental impact at the source, driving the green and low-carbon transition of fixed assets.

We standardize vehicle management to reduce energy consumption. We implement a management system for official vehicles, strictly prohibiting the private use of official vehicles, regulating the scope of official vehicle use and engine displacement standards for different vehicle categories, and planning reasonable travel routes. We strictly enforce the approval system for using official vehicles, rigorously control non-essential travel, and advocate for choosing eco-friendly commuting options such as public transportation, cycling, or walking to effectively reduce carbon emissions from official travel. We ensure that fuel injectors and replace filters are regularly cleaned, and air conditioning is turned off when the vehicle is parked. The Company establishes a vehicle ledger, conducts regular maintenance to prevent excessive fuel consumption, and reduces the frequency of use for vehicles with high fuel consumption.

We reduce kitchen waste and promote civilized dining habits. The headquarters cafeteria vigorously advocates Clean Your Plate Campaign and civilized dining habits through various forms such as displaying promotional posters, pull-up banners, posing table signs at serving counters and dining tables, and playing promotional videos on loop. We also post posters stating “Practice Thrift, Oppose Waste” in the dining area of the cafeteria to effectively reduce food waste and promote emissions reduction at the source.

16.4.3.2 Environmental Performance

Indicators	Unit	2025
Electricity consumption	kWh	13,961,928.45
Purchased heat	million kilojoules	428,801.75
Gasoline consumption	litres	424,654.29
Natural gas consumption	m^3	338,030.56
Liquefied petroleum gas consumption	m^3	3,790.60
Total energy consumption[11]	Tons of coal equivalent	2,642.86
Energy consumption intensity	tce/person	0.56
Water consumption	Tons	124,233.58
Per capita water consumption	tons/person	26.22
Office paper consumption	Tons	56.52
Per capita office paper usage	tons/person	0.01
Discarded toner cartridge	piece	3,780
Discarded ink cartridge	piece	835
Discarded lamp tube	piece	2,690
Electronic waste[12]	Tons	1.98
Municipal solid waste (including kitchen waste)	Tons	11,325.24
Total amount of non-hazardous waste[13]	Tons	11,327.22
Per capita non-hazardous waste	tons/person	2.39

11 During the reporting period, CITIC FAMC conducted statistical accounting of the consumption of various types of energy resources by the Company's headquarters, branches and subsidiaries as the disclosure scope for 2025. The energy consumed by CITIC FAMC during its operations mainly includes office electricity, office heating, and gasoline for official vehicles. The resources consumed mainly consist of office water and paper.

12 During the reporting period, CITIC FAMC conducted statistical accounting of various types of waste at the Company's headquarters, branches and subsidiaries as the disclosure scope for 2025.

13 Statistics on non-hazardous waste include municipal solid waste (including kitchen waste), and electronic waste.

16.5 Employee Responsibility

Our Group closely focuses on overall business development, deeply implements the talent-driven enterprise strategy, strives to build a high-quality professional talent team, continuously optimizes the team structure, and establishes a transparent, scientific and effective incentive and restraint mechanism. We strengthen employee training and practical exercises to improve their abilities to perform their duties and their professional qualities, inspire employees to take responsibility and continuously enhance the cohesion and combat effectiveness of the team, providing solid talent support for achieving the "One-Three-Five" strategic goals. We care for and support employees, actively respond to their concerns, and effectively safeguard their interests, establishing a competitive compensation and benefits system, a fair and smooth promotion channel, and a scientific and comprehensive training system, and fostering a fair, just, diverse, harmonious, safe, and healthy work environment.

16.5.1 Safeguarding Employee Rights

The Company strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and other laws and regulations, and establishes a comprehensive, equal, and democratic internal employee management system to protect employee rights, ensure benefits, build harmonious and stable labor relations, create a diverse, inclusive, equal, and fair work atmosphere, implement humane management, and strictly prohibit forced labor, child labor, and other labor disputes, as well as discrimination based on race, gender, age, and religious beliefs. During the reporting period, the Company achieved a 100% employee labor contract signing rate. We established various types of leave, including annual leave, family visit leave, marriage leave, bereavement leave, sick leave, maternity leave, parental leave, and work injury leave, fully safeguarding employees' rights to rest and take leave. Other details regarding employee rights were listed in "8.3.6 Human Resources Management".

16.5.1.1 Improving the Selection and Appointment Mechanism

The Company attaches great importance to the legitimate rights and interests of employees, provides employees with equal and diversified career development paths to the greatest extent, eliminates all forms of discrimination. Employee recruitment and introduction are carried out in strict accordance with the *Employee Recruitment Regulations*, the *Detailed Rules for Talent Introduction Management*, the *Measures for the Management of Employee Appointments and Removals* and other relevant regulations. Adhering to the principle of fairness and impartiality, the Company defines clear standards for personnel selection and appointment, standardizes the selection and appointment procedures, and strengthens oversight, discipline enforcement and accountability. This has formed a scientific, standardized, and effective mechanism for selection and appointment, which promotes employees' career development and growth, and continuously strengthens the construction of the workforce. Additionally, we regulate and refine the Company's labor contract management following the *Measures for the Management of Employee Labor Contracts*, fostering a harmonious and stable labor relationship.

16.5.1.2 Optimizing the Compensation and Benefits System

We establish sound compensation system. The Company has established and improved a compensation system covering the personnel cost management methods, salary management standards, allowance and subsidy administration norms, internal retirement administration and other systems. During the reporting period, the Company guided all branches and subsidiaries to establish a scientific, rational and fair compensation distribution mechanism. A special inspection on compensation management was conducted among branches and subsidiaries to further advance the development of the compensation system and enhance the standardization of the Company's overall compensation management.

We enhance remuneration clawback mechanism. To refine the incentive and restraint mechanism for performance salary, fully leverage its guiding role in corporate management, and promote stable operations and sustainable development, we formulated and implemented the *Management Standards for Payment Deferral, Suspension, and Clawback of Remuneration*. The remuneration clawback mechanism is applied to all employees to balance short-term and long-term interests, rewards and risk exposure, and ensure remuneration incentives align with risk-adjusted performance outcomes, thereby effectively mitigating aggressive business practices and non-compliance risks. We clearly defined the scope of application, triggering conditions, and resolution procedures for the remuneration clawback mechanism. Management is subject to deferment with deferred payment ratio exceeding 40% and deferred payment period of no less than three years.

We enhance medical security. On the basis of participating in the local basic medical insurance, the Company established supplementary medical insurance, and gradually improved employees' medical security level by regularly enhancing commercial medical insurance plans to address employees' concerns.

We offer non-salary benefits. Based on the Company's employee welfare fund management regulations and employee attendance and leave management regulations, we conducted non-salary welfare work for employees. The welfare scope covered formal employees and retired employees who had established labor relations with the Company, ensuring diverse welfare rights for all employees.

16.5.1.3 Strengthening Democratic Management

The Company highly values the role of the Employee Representative Assembly. Through the Employee Representative Assembly, it safeguards the legitimate rights and interests of employees, including dispatched employees, and guarantees their democratic rights such as the right to know, participation, expression and supervision. The Employee Representative Assembly is responsible for deliberating and voting on major matters and key systems concerning the vital interests of employees, including remuneration, working hours, rest and leave, occupational safety and health, insurance and welfare, staff training and labor discipline. In December 2025, the Company held the First Session of the Fourth Employee Representative Assembly, which deliberated and voted on and adopted proposals related to corporate operation, compensation and benefits, and charitable assistance, effectively play the positive role of employee participation in democratic management.

16.5.1.4 Conducting Employee Satisfaction Surveys

During the reporting period, we conducted a questionnaire survey for all employees to understand their confidence in the Company's reform and development, evaluation of performance incentives and salary income, employees' ideological and cultural status, the overall work status of various units, individual mental state and pressures faced, as well as employees' career development and growth. A total of 3,168 valid questionnaires were collected. The survey results showed that nearly 90% of employees were satisfied with the results of various developments since we joined the CITIC Group.

Indicator	Unit	2025
Total number of employees	person	4,738
Labor contract signing rate	%	100
Social insurance coverage rate	%	100
Number of employees by gender		
Male employees	person	2,510
Female employees	person	2,228
Number of employees by age		
35 and below	person	1,491
36 – 45	person	2,161
46 – 55	person	817
56 and above	person	269
Number of employees by region		
Domestic	person	4,627
Overseas	person	111
Employee turnover rate by gender		
Male employees	%	3.25
Female employees	%	2.51
Employee turnover rate by region		
Domestic	%	2.59
Overseas	%	17.69

Indicator	Unit	2025
Employee turnover rate by age		
35 and below	%	**2.81**
36 – 45	%	**3.35**
46 – 55	%	**2.26**
56 and above	%	**1.41**

Indicator	Unit	2025	2024	2023
Number of work-related fatalities	person	**0**	0	0
Rate of work-related fatalities	%	**0**	0	0
Lost days due to work related injury	Day	**306**	343	242

16.5.2 Promoting Employee Development

The Company attaches great importance to human capital development. By improving its education and training system, building multi-position practice platforms, advancing the talent development program, and establishing a regular performance evaluation and feedback mechanism, it comprehensively enhances employees' professional competence and comprehensive qualities, striving to build a high-caliber and professional talent team.

16.5.2.1 Employee Training

The Company has formulated the *Employee Education and Training Management Measures* to promote the scientific, institutionalized, and standardized development of education and training, aiming to cultivate a high-quality workforce. Education and training are managed centrally by the Human Resources Department of the Company, with headquarters departments and subsidiaries responsible for their respective areas according to division of labor. The Company integrates the requirements of CITIC Group's education and training initiatives, its own development strategy, business line needs, and job-specific training demands to plan and implement training programs. Headquarters departments and subsidiaries develop their own education and training plans and execute them accordingly.

We conduct multi-level and multi-format training for cadres. The Company fully implements CITIC Group's cadre training plan, strengthening professional training in a tiered and categorized manner. During the reporting period, the Company advanced the "Elite Plan" in a phased manner, focusing on building three key talent teams: management, technical professionals, and Party building personnel. The "Year of Capacity Building" initiative was launched, featuring two capacity-building training sessions and organizing full-time, concentrated training for middle- and senior-level managers across the entire system. Two intensive learning programs—"Sward Class" and "Excellence Class"—as well as two sessions each of the "Elite Class" and "Youth Cultivation Class" were conducted, covering over 300 middle-level cadres, senior employees, and business cadres. These efforts aim to establish a long-term mechanism for cadre training and development. The "Cloud Classroom" platform has been upgraded to better support learning. Based on talent development stages and job training needs, a comprehensive online course system has been developed. The Company continues to strengthen faculty and course resource development, significantly improving training quality and effectiveness.

We emphasis skills and knowledge training. Closely aligned with the Company's strategic goals of building "four major business capabilities" and "two supporting systems", headquarters departments have organized 107 specialized training sessions across key areas such as core business knowledge and practical skills, industry development, client marketing, legal compliance, finance, risk management, human resources, audit, technology, and office operations.

We conduct onboarding training for new graduates. In September 2025, the Company organized a training program for newly hired employees across the entire system. Focused on "cultural integration and skill enhancement", the program will systematically cover corporate culture, company strategy, business case studies, and other essential topics to help new employees accelerate their integration, strengthen their sense of discipline, and successfully transition into their roles.

We conduct joint training with external educational institutions. In collaboration with the School of Continuing Education at Renmin University of China, the Company has customized external training courses for the "Elite Plan–Excellence Training Program", enhancing the professionalism and practical effectiveness of talent development.

We care for employees' career development. Since 2022, the Company has conducted annual evaluations on titles of high-level professionals in economics, accounting, and engineering. During the reporting period, under the evaluation by CITIC Group's Senior Professional Title Review Committee, two individuals were awarded principal-level senior professional titles and 13 individuals received senior professional titles.

16. Social Responsibility Report

We support external professional certification. The Company provides necessary support for all employees to obtain professional qualifications, helping them enhance their professional skills and vocational competence. The Company actively encourages employees to participate in training for relevant occupational certification during their spare time, whether for current job requirements or career transitions. We rewards employees who obtain recognized professional qualifications—including Certified Public Accountant (CPA), Legal Professional Qualification, Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), Tax Consultant, Asset Appraiser, Chartered International Investment Analyst (CIIA), and International Certified Internal Auditor (CIA). This initiative effectively motivates employees to pursue further education and professional development, providing strong internal drive for personal growth and significantly contributing to the Company's professional talent pool.

We conduct ongoing development of the postdoctoral scientific research workstation. In December 2001, the Company was approved by the Ministry of Human Resources and Social Security to establish the first postdoctoral scientific research workstation among state-owned financial enterprises. Since its establishment, the station has jointly recruited and trained 20 batches of 100 postdoctoral researchers in collaboration with seven prestigious institutions: Peking University, Renmin University of China, Fudan University, Wuhan University, the Chinese Academy of Social Sciences, the University of Chinese Academy of Sciences, and China University of Political Science and Law. Through the recruitment and training of postdoctoral researchers, the station has cultivated a group of high-caliber, multidisciplinary talents and achieved a number of research outcomes, playing a positive role in promoting innovation and research within the Company. During the reporting period, the Company completed the recruitment of its 20th batch of postdoctoral researchers, adding 1 new researcher to the station. Currently, there are 4 postdoctoral researchers in residence.

Indicators	Unit	2025
Employee training coverage rate	%	100
Employee training expenses	RMB10,000	723.12
Average training hours per senior management	hours	232.4
Average training hours per middle management	hours	266.2
Average training hours per primary employee	hours	270.2
Average training hours per male employee	hours	259.9
Average training hours per female employee	hours	259.9
Proportion of trained senior management	%	100
Proportion of trained middle management	%	100
Proportion of trained primary employees	%	100
Proportion of trained male employees	%	100
Proportion of trained female employees	%	100

16.5.2.2 Employee Incentives

Our Group highly values the construction of the assessment system, consistently adhering to market-oriented principles, and establishing a clear direction of "rigorous evaluation, strict linkage, emphasis on execution, and performance rewarding". We formulate the *Annual Assessment Management Measures* to strengthen quantitative assessments, implement tiered and categorized management, clarify performance orientation, emphasize job responsibilities and contributions, refine assessment levels, and enhance the application of results. Furthermore, we emphasize performance feedback, recognize achievements, and identify shortcomings to help employees improve work quality and efficiency, thereby further stimulating team vitality and unleashing internal growth momentum. We emphasize performance feedback and communication. If a evaluated individual has objections to the assessment results, they may submit a written appeal to the leading group for assessment work within five working days of receiving the feedback. The leading group for assessment work will conduct an investigation or review in accordance with established procedures and provide a response after verification.

16.5.3 Caring for Employee Health

Our Group always adheres to a "people-oriented" approach, focusing on employees' occupational health and safety, actively seeking benefits for employees, and addressing practical issues. We optimize medical security, provide diversified health services, and strengthen safety management to comprehensively ensure the physical and mental health of employees, creating a safe and healthy working environment that enables mutual development for the enterprise and its employees.

We strengthen safety management. The Company enhanced employees' safety awareness and emergency response capabilities by organizing video conferences on safety work, conducting comprehensive safety inspections of the headquarters building, and holding fire safety training lectures and emergency drills. We organized "Safety Production Month" activities, guiding various units to conduct in-depth safety inspections, hazard rectifications, emergency drills, and educational campaigns to ensure safe and stable operations. We strictly implement office building safety management requirements, conduct regular fire safety training and emergency drills for all employees on a routine basis, inspect fire protection, water, electricity, and security monitoring facilities at scheduled intervals, carry out timely maintenance and rectification, and ensure proper operation of all facilities. We standardize safety management in office areas: clearly mark fire escape routes, identify and rectify electrical safety hazards, and ensure complete and adequate fire-fighting equipment is in place. We improve security on-duty systems and visitor registration protocols, and achieve full coverage of video surveillance. No safety incidents occurred during the reporting period, effectively safeguarding the personal safety of employees and the security of the office environment.

We improve medical security. We provide commercial health insurance for all employees, and continuously improve commercial health insurance plans. We impose strict requirements on the service quality of insurance providers, steadily improve the cost-effectiveness of insurance coverage, raise the medical security level for employees, and alleviate the concerns of sick employees.

We focus on the rights and interests of female employees. In order to effectively protect the legitimate rights and special interests of female employees, the Group has actively organized and promoted the signing of the *Specialized Collective Contract for Protecting Rights and Benefits of Female Employees*. Up to now, four issues of the *Specialized Collective Contract for Protecting Rights and Benefits of Female Employees* have been signed, which has effectively consolidated the mechanism of the Company to protect the rights and interests of female employees. The Company arranges annual gender-specific health checkups for female employees, enabling them to timely understand their health status and prevent diseases. Additionally, the Company strictly enforces maternity and breastfeeding leave regulations for female employees, with activity rooms dedicated to female employees to create a human-centric care environment in the workplace for nursing mothers.

We pay attention to mental health. We offer health lectures, psychological counseling, and online health services to meet employees' diverse medical service and healthy lifestyle needs.

16.5.4 Deepen Employee Care

The Group cares about the well-being of its employees, implementing actions to strengthen employees' sense of identity and belonging to the Company, and continuously enhancing the cohesion and centripetal force of the team. Through conducting targeted assistance programs, launching "addressing practical issues for employees" initiatives, conducting "Warmth Delivery" visits, improving employee leisure facilities, and various skills competitions and cultural-sports activities, the Company demonstrates genuine care for employees, effectively addresses employees' concerns, enriches their cultural life, promotes work-life balance, and supports better personal development.

We provide medical assistance and support. During the reporting period, the Company headquarters allocated RMB150,000 in medical assistance funds to four branches and subsidiaries, effectively alleviating their financial burden and providing them with warmth.

We carry out initiatives to address practical issues for employees. To address real-life challenges employees face in their work and daily lives, the Company has intensified its care and support for employees, aiming to enhance their sense of happiness and satisfaction. Each year, the Company launches the "Addressing practical issues for Employees" initiative, widely soliciting employee suggestions, formulating specific measures and implementation timelines for each project, and ensuring that employee proposals are effectively implemented and yield tangible results.

We carry out rich festival care activities. During the New Year and Spring Festival, we actively conducted the "Warmth Delivery" visits, allowing them to feel the warmth and care of the Company.

We improve employee leisure facilities. We optimize the layout of the employee fitness center and procure new fitness equipment. We rented CITIC Bookstore's smart book cabinets to facilitate book borrowing, enriching employees' leisure time and enhancing their quality of life.

We hold business skills competitions. We organized a business skills competition for young employees, providing them with a platform to showcase their talents, improve their skills, and support their career development.

We organize various cultural and sports activities. The headquarters organizes more than 10 online and offline events, including lantern riddle guessing during the Lantern Festival, traditional Chinese culture quizzes during Qingming Festival, staff walking events, fitness activities, and weight management programs. Branches and subsidiaries organize over a hundred cultural and recreational activities.

The Company hosts a themed fun fitness event titled "Fitness Empowers Vitality, Striving for Excellence".

16.6 Customer Responsibility

Customers are the foundation of business development. Our Group places great importance on optimizing customer service, focuses on key areas such as improving service quality and efficiency, enhancing customer complaint management, advancing information technology infrastructure, and strengthening customer data privacy protection to continuously enhance customer experience and service quality.

16.6.1 Improving Service Quality and Efficiency and Optimizing Customer Experience

Our Group continuously enhances its customer management practices by comprehensively addressing customer needs, effectively establishing and maintaining customer relationships, consistently improving service quality and efficiency, prioritizing consumer rights protection, and continuously refining customer complaint resolution mechanisms, in order to enhance customer satisfaction.

16.6.1.1 Strengthening the Construction of Customer Marketing System

The Board assumes ultimate responsibility for strategy formulation and implementation of product and service offerings to ensure compliance with regulatory requirements, alignment with social responsibility standards, and adherence to sustainability principles. We coordinated and strengthened the top-level design of customer service, formulated the *2025 Work Plan for Customer Marketing and Business Collaboration* and the *Work Plan for Central Enterprise Customer Marketing Team Building*, and established working mechanisms such as "marketing follow-up" and "one team for each central enterprise customer". The Company adjusted and optimized marketing strategies to improve marketing quality. We strengthened the professionalized marketing system by establishing an executive-led dedicated marketing mechanism for central and state-owned enterprise customers, formulating the *Customer Management Unit Confirmation Rules*, and integrating upstream, midstream, and downstream customer channels to build supply chains and ecosystem circles that construct an ecosystem for core business operations. Through an information acquisition network, we scan the market in a systematic, timely, and all-round manner to unblock information channels and enhance the capability to identify and reach potential customers. We precisely matched and actively responded to customer needs, providing personalized financial services tailored for enterprises, focusing on solving core customer concerns and enhancing customer loyalty to continuously improve the customer service capabilities.

16.6.1.2 Intensifying Responsible Marketing Training Initiatives

The Company actively explored a tiered and categorized training system combining “routine training, centralized training, headquarters on-site learning and branch field training” to comprehensively enhance employees’ marketing capabilities and training effectiveness. In September 2025, we organized system-wide specialized training sessions for marketing collaboration to continuously optimize customer marketing and business synergy processes, improve collaborative service quality and efficiency, and strengthen technology-driven capabilities. Concurrently, we conducted the second phase of business marketing training. In October 2025, to further deepen marketing system construction, we conducted trainings featuring “centralized training + headquarters on-site learning” to enhance professional competencies of marketing and collaboration teams. Simultaneously, we hosted three on-site learning camps at headquarters for face-to-face business exchanges.

16.6.1.3 Actively Conducting Consumer Rights Protection Activities

The Company conducts annual educational campaigns on financial consumer rights protection in diverse formats to enhance consumers’ financial literacy and risk prevention awareness, strengthen their capacity to safeguard legitimate rights, and foster a harmonious and healthy financial environment. During the reporting period, focusing on financial consumer rights protection and financial knowledge popularization, we actively organized 53 institutions to launch 143 educational campaigns in an integrated online and offline manner, reaching more than 38,000 financial consumer participations. For example, branches in Shaanxi, Guangdong and other regions, relying on such forms as “on-site professional lawyers”, “financial knowledge workshops” and “anti-fraud knowledge competitions”, collaborated with lawyers, volunteers, police officers and other stakeholders to provide legal consultation, anti-fraud lectures and rights protection guidance for communities, commercial districts, primary and secondary school students and other groups. We helped consumers improve financial literacy and the capability to prevent financial fraud. Branches in Qinghai, Xinjiang, Jiangxi and other regions went deep into rural areas at the grassroots level, and conducted publicity on agricultural support financial policies, interpretation of preferential policies for people, and risk warnings on frauds such as “agent surrender” for vulnerable groups and targeted assistance targets.

16.6.1.4 Enhancing Customer Complaint Management

The Company has formulated and implemented the *Customer Complaint Management Standards*, clarifying the division of complaint responsibilities among institutions at all levels. We continuously optimized the processing procedures of customer complaint acceptance, investigation, resolution and feedback, and established mechanisms including the first-asked responsibility system, time-limited handling, information confidentiality and complaint result feedback to customers. We consolidated the responsibility for customer complaint management, effectively protecting consumers' rights and interests, and improving customer satisfaction. We collected and handled customer complaints through specially designated complaint hotlines (4008177779) and other channels. We received zero customer complaints during the reporting period.

16.6.2 Promoting Information Development and Empowering Financial Technology

16.6.2.1 Continuously Enhancing the Construction of the Information Technology System

In line with the needs of information technology work, the Company formulated multiple information management systems covering five major areas: application system construction management, operation and maintenance, risk security compliance, data control, and comprehensive technology.

The Company implemented CITIC Group's *14th Five-Year Plan for Digital Development*, actively integrated into CITIC Group's "Four Ones Project," and supported the Company's "One-Three-Five" strategic goals. We developed and implemented the *Information Technology Digital Action Plan (2023-2025)* to promote the Company's "14th Five-Year" technology construction work with high quality.

According to the *Artificial Intelligence+ Action Plan of the CITIC Group*, we developed the *Artificial Intelligence+ Action Plan*, which expanded the application scenarios of artificial intelligence in areas such as pre-investment due diligence, post-investment preservation, risk control, and legal compliance, leveraging artificial intelligence to empower business.

16.6.2.2 Continuously Enhancing Digital Customer Service Capabilities.

During the reporting period, the Company implemented the "Five Engineering Initiatives", comprising "core system leadership, group integration, data empowerment, AI exploration, and secure innovation in information technology application", to fulfill the "Three-Year Quality and Efficiency Enhancement Plan" and the "Digital-First Work Principle". We fully achieved "online informatization", significantly improving management digitization standards, and steadily advancing toward "intelligent operations". We successfully obtained the Data Management Capability Maturity Model (DCMM) Quantitative Management Level (Level 4) certification, becoming the first financial asset management institution to achieve national DCMM Level 4 certification. Throughout the year, our information systems maintained stable operations, with system and network availability exceeding 99.99%. Our cybersecurity operations project won the IDC China Digital Finance Forum "Financial Resilience Digital Infrastructure Award" and the CITIC Group "Blossom Cup" Second Prize.


DCMM

数据管理能力成熟度（甲方）

等 级 证 书

依据国家标准《数据管理能力成熟度评估模型》（GB/T 36073-2018），经评估，中国中信金融资产管理股份有限公司数据管理能力成熟度达到量化管理级（4 级），特发此证书。

评估机构：北京赛西科技发展有限责任公司
评估依据：《数据管理能力成熟度评估模型》（GB/T 36073-2018）
证书编号：DCMM-I-4-1100-007870
查询平台：https://www.dcmm-cfeii.com
发证日期：2025 年 12 月 31 日
有效日期：2028 年 12 月 30 日止

中国电子信息行业联合会

The Company has deepened its digital transformation and completed the shift from an "experience-driven" model to a "data and algorithm-driven" model with the technological empowerment of "Artificial Intelligence+". We have built the "Non-performing Asset Intelligent Brain" with the characteristics of CITIC Financial Assets and continuously accelerated the digital and intelligent transformation and upgrading of customer services.

- The core system for new businesses has been fully launched. We have empowered non-performing asset businesses with AI technology and independently developed the industry's first asset-based core business system. We have innovatively established an "asset-based" data model, removed process bottlenecks, realized the integration of projects, assets and equities, and enabled the replication and promotion of non-standard and complex businesses. We have continuously and vigorously improved the customer service capabilities.

- We have promoted rapid breakthroughs in key scenarios of "AI + non-performing assets". We have launched the "Compliance Assistant" to realize intelligent context-based Q&A functions, building an efficient digital defense line for the sound development of the Company. We have built an intelligent assistant for non-performing assets, which can automatically generate and import structured data required by the business system, significantly improving the efficiency of data entry.

- We have continuously consolidated the foundation for AI development. We have constructed a dual-track driven AI infrastructure supported by external computing power and in-house computing power and developed an independent intelligent development platform. In addition, we have explored a new model of resource operation and maintenance to empower businesses with emerging technologies such as AI.

16.6.3 Ensuring Data Security and Protecting Personal Privacy

16.6.3.1 Privacy and Data Security Management System

The Company places high importance on privacy and data security management. The Board of Directors holds primary responsibility for data security matters and deliberates on information security and technology risk issues. We established the Data Governance and Information Technology Management Committee under the Management and formulated the *Work Rules on Data Governance and Information Technology Management Committee*, clarifying responsibilities and procedures to deliberate on information security and IT risk management systems, examine IT risk reports, monitor adherence to IT risk appetite frameworks and management practices, and evaluate information security incident reports and audit outcomes.

The Company continuously improves and strengthens IT risk and information security management. We formulated the *Management Measures for Information Technology Risk and Information Security, Data Security Management Specifications*, and *Information Technology Outsourcing Risk Management Specifications*. These policies cover all business operations and data required or generated in daily management across headquarters and all branches and subsidiaries. We conduct regular IT risk assessments (at least annually) to achieve identification, measurement, monitoring, and control of IT risks, ensuring the confidentiality, integrity, and availability of information, and promoting the secure, continuous, and stable operation of the Company's IT systems.

16.6.3.2 Minimizing Collection and Retention of Personal Data

The Company strictly follows the "minimum necessity" principle for personal data collection, avoiding excessive collection. The types of information collected must be directly relevant to the business functions required to deliver products or services. The scope of personnel authorized to access personal information was clearly defined, and access control with minimized permissions was established allowing them to access only the minimum necessary personal information required for their duties and granting only the least data operation permissions needed to fulfill their responsibilities. We anonymize personal sensitive information displayed on interfaces such as screens or paper. We implement data masking for personal sensitive information in development and testing environments during information system development and testing processes. The Company did not engage in renting, selling, or providing customer data to third parties for purposes other than completing transactions/services.

We clearly inform the data subject of the purpose of collection when collecting personal information. We obtain the data subject's written consent prior to collecting any personal sensitive information. We comply with the data protection laws and regulations of the jurisdiction where the overseas subsidiary operates when providing personal information for business purposes, and ensure that data collection is conducted in accordance with applicable relevant laws and regulations. We will promptly delete or anonymize any personal information once it reaches the retention period specified in our data protection policy.

Types of Personal Information	Retention Period Requirements
Business Participants	We retain information related to business participants (classified as project supporting documentation) for the same duration as the project archives.
Associated Natural Persons	We retain information about associated natural persons from the date of confirmation of the relationship until twelve months after its termination.
Partner Company Personnel	We delete domain account information of partner company personnel within three months after their departure and conduct annual periodic reviews and cleanups during their service period.
Rongyitao Mini-Program Users	We retain mini-program user information for the minimum necessary duration required to fulfill the stated processing purposes.

16.6.3.3 Granting Customers Control Over Personal Information

The Company respects and safeguards customers' rights to access, correction, and deletion in personal information processing activities. We inform data subjects of methods, channels, and complaint mechanisms for exercising their rights (including access, copying, correction, supplementation, transfer, deletion, and withdrawal of consent) in accordance with the *Informed Consent Form for Personal Information Processing* when collecting data offline. For information collected via mini-programs or similar applications, we disclose related control rights in the *Privacy Protection Policy for Mini-Programs.* We implement security measures such as encryption and de-identification to enforce access control over personal and sensitive data, preventing unauthorized access, loss, damage, disclosure, or tampering.

16.6.3.4 Preventing Personal Information Breaches

The Company places high importance on protecting and managing personal information of all natural persons, including customers and employees. We formulated the *Personal Information Protection Management Specification* to clarify management requirements for headquarters and subsidiaries, and continuously improve data security processing mechanisms. In the event of personal information security incidents (e.g., breaches, damage, or loss) that may jeopardize data subjects' personal safety or property, we will immediately take effective response measures to contain the incident, eliminate risks, and report through designated channels. If such incidents pose significant risks to data subjects' legitimate rights, we will promptly notify affected individuals and safeguard their rights.

16.6.3.5 Third-party Privacy and Data Security Management

The *Personal Information Protection Management Specification* specify that when disclosing customer personal information to third parties, we will confirm that the data subject has explicitly consented to such disclosure in the Informed Consent Form. If not previously addressed, we will separately inform the data subject and obtain their written consent. We define data processing purposes, scope, methods, security measures, data destruction requirements, and mutual data security responsibilities and obligations through agreements or contracts with data recipients. Prior to transferring data to third parties, we conduct a security risk assessment aligned with our information protection policy. The assessment report, after approval by the person in charge, is submitted to the Company's Data Governance and Information Technology Management Committee for final approval. Records and reports related to third-party information disclosures are retained for a minimum of three years.

Through the *Information Technology Outsourcing Risk Management Specification*, the Company strengthens outsourcing management strategies by clarifying requirements for supplier selection, contractual terms, daily operations, regulatory reporting, and personnel management. We have clarified the outsourcing security and confidentiality responsibilities, including obligations for risk assessments, monitoring, inspections, and audits. We have also established a standardized outsourcing contract template, with security requirements and confidentiality agreements integrated as core components.

We ensure the legal compliance and authenticity of external data suppliers and their data through due diligence and contractual agreements. The Company signs a *Data Security Agreement* with third-party institutions before the batch transfer, sharing and entrusted processing of personal information to such institutions, clarifying the data security protection obligations and responsibilities that third-party institutions shall abide by, as well as the scope and purpose of data processing and the security requirements for data collection, storage and usage. During the implementation of the agreement, we conduct regular data security assessments and carry out data security inspections on data recipients to ensure the security of data at third-party institutions. During the reporting period, the Company conducted special data security inspections on the developers of GoodfullCloud and Cloud Classroom applications. We assessed the protection of the Company's personal information collected and processed by such parties, put forward relevant rectification opinions and urged them to complete rectification.

16.6.3.6 Privacy and Data Security Training

We organized diverse educational and training activities. During the reporting period, we provided training on the interpretation of data security management systems and specialized training on personal information protection for data governance specialists of various headquarters departments as well as branches and subsidiaries, as well as all employees of the Group. We also formulated required knowledge test questions and organized company-wide assessments. In addition, we provided practical training on the implementation of data governance systems for technology personnel (including outsourced staff), and launched special training focusing on personal information security protection in information systems.

16.6.3.7 Emergency Management of Information Security Incidents

The Company developed the *Emergency Response Plan for Data Security Incidents* to clarify the channels for discovering data security incidents and monitoring requirements, establish standards for classifying security incidents, reporting paths for incidents, and steps for handling incidents. We have set up an emergency working group composed of business departments, technology departments and security vendors. We require that a data security incident be reported to the Emergency Command Department immediately upon occurrence. The Emergency Command Department will organize staff to grade the incident and implement graded disposal and reporting procedures accordingly. In addition, we adopt dual business and technical control measures to contain and block the impact of data security incidents, conduct in-depth analysis and summary of the causes, implement timely remedies, effectively control the situation, ensure business continuity and prevent the escalation of negative impacts.

The Company organizes annual data security incident emergency drills and carries out publicity and training to improve all employees' capability to prevent and respond to data security incidents. During the reporting period, the Company successfully resisted approximately 29,000,000 cyber attacks, blocked more than 270,000 malicious IP addresses, and achieved zero data security accidents.

16.6.3.8 Information Security Audit and External Certification

The Company carried out external audits on information security system. In accordance with the *Management Measures for Information Technology Risk and Information Security*, we engage external audit institutions to conduct annual audits on information technology matters, covering the headquarters, branches and technology subsidiaries. During the reporting period, a third-party institution conducted one special external audit on the Company regarding personal information protection, data security and data governance.

The Company strengthened the internal audit management of information technology. The *Management Measures for Information Technology Risk and Information Security* clearly stipulates that the Company's Audit Department shall conduct necessary internal information technology audits in accordance with regulatory requirements and the Company's arrangements and put forward rectification opinions. The Information Technology Department of the Company and the information technology competent departments of branches shall organize rectification of problems identified during information technology and information security audits and inspections, and submit inspection reports. During the reporting period, a total of 1 special internal audit on credit investigation compliance and information security was conducted.

We obtained information security certification. During the reporting period, the annual certificates were obtained by the Company through the China Cybersecurity Review Certification and the ISO20000/27001 management system certification from the Market Supervision Big Data Center. The certification covers 100% of the Company's business-related systems. The scope of certified business covered the information technology management work and IT service guarantee business provided for the Company, as well as information construction planning, information system operation and maintenance, and data management services.

Other details regarding the Company's IT Governance and Information System Development are provided in "8.3.5 Overview of IT Development".

16.7 Industry Responsibility

Our Group actively practices industry responsibility, by deepening information sharing, strengthening industry discussions, and building a consensus for development, we leverage our respective advantages to complement each other and drive industry development. By signing strategic cooperation agreements with multiple central and state-owned enterprises, and local governments, and continuously cultivating a long-term and stable client circle, ecosystem, and social circle for "big non-performing assets", we comprehensively foster the development of the "Investment and Service Cooperation Alliance", fully integrating our respective advantages to promote resource sharing and achieve mutual benefits and win-win outcomes.

16.7.1 Deepening Industry Collaboration and Gathering Market Synergy

The Company continues to strengthen industry collaboration in non-performing asset management. Guided by the Company headquarters in building the "Investment and Service Cooperation Alliance", 33 branches established a strong presence in their respective regions, focusing on serving local economic development. They promoted the construction of regional investment and service cooperation alliances in line with regional development strategies and resource endowments. During the reporting period, the branches and subsidiaries held key business-focused exchanges based on the unique characteristics of their local markets, widely inviting key clients from the "ecosystem" and conducting regional market discussions. They strengthened market information sharing, deepened mutual understanding, and actively expanded business opportunities.

Case: Deepening Industry Exchanges and Cooperation, Sharing New Opportunities in the Non-performing Assets Market

The Guangdong Branch successfully hosted the Investment and Service Cooperation Alliance Conference and Special Asset Promotion Event themed "Forging Ahead with New Momentum, Jointly Writing a New Chapter for Guangdong", which garnered extensive attention from all sectors of society. Over 100 organizations and nearly 300 participants were present, including regional industry associations, local state-owned enterprises, commercial banks, peer asset management companies, special asset service providers and investment institutions. At the event, the Guangdong Branch gave a focused promotion of assets worth RMB40 billion, covering real estate, hotels, commercial office properties, logistics facilities and listed company equities. The live broadcast was simultaneously viewed by a total of 102,300 people via the "Bay Area Special Assets" WeChat Channel and JD.com's online platform. Attendees had in-depth exchanges on the revitalization of regional special assets, directions for relief and development, as well as potential cooperation opportunities.

The Beijing Branch successfully held the CITIC FAMC 2025 Beijing Regional Investment and Service Cooperation Alliance Conference and Seminar on Non-performing Assets Acquisition and Disposal themed "Uniting Strengths for Renewal, Achieving Win-Win Development". Centering on the policy opportunities brought by the "Administrative Measures for Non-performing Asset Business of Financial Asset Management Companies (《金融資產管理公司不良資產業務管理辦法》)", the conference conducted in-depth discussions on non-performing assets disposal approaches and investment opportunities under the new regulatory framework. More than 80 guests from 46 Beijing-based financial institutions, including commercial banks, trust companies, securities firms and financial leasing companies, attended the event.

The Company has actively expanded communication channels with the real economy. In 2025, it organized a special seminar on the photovoltaic industry, inviting experts from institutions including the China Photovoltaic Industry Association and the China Association of Fluorine and Silicone Industry (CAFSI) to conduct in-depth exchanges on the latest industry policies and development trends. This has helped further advance the green and low-carbon transition and deepen industry-finance synergy.

16.7.2 Actively Expanding Channels to Achieve Mutual Benefit and Win-Win Outcomes

The Group maintains close collaboration with key partners to empower each other and pursue common development. By strengthening the pooling of market forces and focusing on sectors including commercial office space, warehousing and logistics, resources and energy, the Group has held a series of asset promotion conferences to unlock asset value and enhance asset appeal. Our Group relies on Internet technology to promote non-performing assets through online platforms such as the official website and WeChat official account "CITIC FAMC", as well as the WeChat mini-program "Rongyitao". We continuously enrich asset promotion methods, expand the intensity and breadth of asset promotion, enhance market activity, and improve the transparency of asset disposal information, thereby facilitating non-performing asset transactions and building the Company's asset promotion brand. During the reporting period, the Company launched a group-wide disposal, marketing and promotion campaign, with the total scale of promoted assets exceeding RMB300 billion. A dedicated "Weekly Selection" column was launched on the Company's WeChat official account, releasing 161 issues featuring assets across more than 30 provinces and autonomous regions.

Case: Strengthening Asset Promotion Efforts to Create an Ecosystem for Non-performing Asset Management

The Company and Alibaba Assets jointly held the "Gathering Momentum for Win-Win Cooperation, Empowering the Future – CITIC FAMC 2025 Asset Investment Promotion Conference" in Wuhan. Chen Pengjun, member of the party committee and vice president of the Company, and Chen Huiming, Executive President of Alibaba Assets, attended the conference. Featuring promoted assets with a total scale exceeding RMB83 billion, the event covered warehousing and logistics, industrial land, commercial office and hotel assets, located in Hubei, Shanghai, Jiangsu, Zhejiang and other regions. It attracted nearly 100 industry institutions and more than 200 professionals, including industrial investors and local asset management companies.

The Fujian Branch successfully hosted the "Meeting Across Mountains and Seas in Fujian, Embracing a Prosperous Future" Fujian Regional Investment and Service Cooperation Alliance Exchange & Asset Promotion Conference, with a host of industry guests invited to attend. Over 130 creditor's rights assets with a principal amount exceeding RMB14 billion were promoted on site, covering diverse asset types such as land, residential properties, office buildings, shops, hotels and industrial factories, spanning 9 cities in Fujian Province and some areas outside the province. The conference systematically elaborated on the Company's core business models, distinctive strengths and an overview of the non-performing assets market in Fujian, and held in-depth discussions with various parties on development paths including asset cooperation and model innovation. The event also specially invited experts from the Fujian Provincial Reform Commission to interpret the policy orientations and development trends of the 15th Five-Year Plan period, providing authoritative guidance for all participants.

The Hunan Branch, together with Hunan Exchange, jointly held the "Hunan Encounter for Renewal, Trust Meets Value Creation" Asset Promotion Conference. About 260 guests from over 100 institutions participated, including regional collaborative entities, large provincial state-owned enterprises, renowned intermediaries and industrial investors, and the live stream attracted more than 180,000 views. At the conference, more than 300 creditor's rights and property rights assets were launched, with a total asset value exceeding RMB10 billion. The promoted assets covered residential buildings, apartments, commercial properties, hotels, industrial land and factories, drawing high attention from investors.

16.7.3 Strengthening Innovation Capabilities to Drive Industry Development

The Company has continuously deepened industry research. It conducts macroeconomic research by focusing on the macroeconomic landscape and major conferences, regularly tracks trends in the non-performing assets market and carries out relevant research, and proactively conducts research on real economy industries and business strategies to support supply-side structural reform. Leveraging the financial synergy advantages within CITIC Group, the Company has carried out projects in cooperation with CITIC Securities and China Securities. It has invited chief macro and industry analysts to the Company to deliver analyses of economic conditions and share industry trends. The Company has actively leveraged its research system, organized participation in the 2025 key issues work of the CITIC Think Tank, and submitted multiple research reports for evaluation.

16.7.4 Protecting Intellectual Property Rights and Preventing Infringement

The Company emphasizes the maintenance and protection of intellectual property rights, complies with relevant laws and regulations, standardizes intellectual property management, with the *Trademark Management Regulations* and other internal management regulations established to prevent infringement on intellectual property rights, protect our own research and innovation achievements, and continuously enhance the awareness of intellectual property rights protection. The Company explicitly stipulates in its internal policies that the procurement of hardware and software shall comply with the requirements for legitimate software and hardware management, ensuring consistency between accounting records and actual assets as well as alignment between procurement and usage. It has established a terminal monitoring and management system and an official software download mall, providing employees with access to licensed software. The Company conducts full monitoring of software installed on user terminals to promptly identify unauthorized software installations, ensuring the legality and security of software usage. A reporting mechanism has been set up for unlicensed and vulnerable software. Self-inspections on software licensing have been carried out at the Company's headquarters and all branches. Content related to software licensing has been incorporated into information technology training and publicity programs to further enhance employees' awareness of intellectual property protection. We respected the research achievements of employees and postdoctoral researchers and clearly stipulated in the *Postdoctoral Management Work Regulations* that the rights and interests of relevant personnel's research achievements shall be fairly and reasonably determined in accordance with national intellectual property laws and relevant regulations. During the reporting period, the proportion of R&D personnel in the Company stood at 0.02%, and R&D investment accounted for 0.48% of operating revenue.

16.8 Community Responsibility

16.8.1 Adhering to Dual Support of Wisdom and Resources to Promote Rural Revitalization

The Group actively fulfills the responsibilities and missions of a state-owned financial enterprise, fully implements the national rural revitalization strategy, and firmly assumes the responsibility of assistance. Leveraging the comprehensive platform advantages of CITIC Group, the Group actively explores new models of financial assistance through the business tools of financial asset management companies, and continuously expands the channels of support. Through a diversified range of measures including Party building assistance, industrial assistance, educational assistance, livelihood assistance, and consumption assistance, the Group promotes rural economic development, raises living standards of rural residents, steadily advances all-round rural revitalization, and effectively enhances the effectiveness of assistance work.

16.8.1.1 Party Building Assistance

The Group consistently integrates the guiding principles of the 20th National Congress of the Communist Party of China with its assistance initiatives, continuously expanding the breadth and depth of Party building co-construction through paired cooperation. By promoting synergy between Party development and assistance efforts, the Group is actively fostering a virtuous cycle where Party building is advanced through assistance, and assistance is enhanced through Party building. By the end of 2025, 41 entities of the Group had provided paired assistance to 46 previously impoverished villages (communities) in Xuanhan County, with a total of 2014 people from the "three key teams" receiving training. Various entities carried out joint Party-building activities with paired villages by organizing online Party-building training sessions and offline home visits and consolations, helping grassroots Party organizations better play their role as the combat fortress. By translating the strengths of Party building into assistance outcomes and organizational vitality into driving forces for rural revitalization, the Group promotes mutual reinforcement and joint improvement of Party building and assistance initiatives.

16. Social Responsibility Report

Case: Strengthening the Leading Role of Party Building to Gather Support Forces

Hainan Branch: In accordance with the arrangements of the Hainan Provincial Government, the Hainan Branch has dispatched dedicated personnel to provide assistance to Qiaozhong Village, Nanqiao Town, Wanning City for 10 consecutive years. The Party Secretary and members of the leadership team regularly visit the assisted village to conduct consolation and support activities. The branch integrates assistance work with the key priorities of the town Party committee and government, and maintains a spirit of continuous exploration and innovation in grassroots Party building, rural governance, and the development of characteristic industries.

Hubei Branch: The Hubei Branch has maintained active communication and contact with Wanqiao Village, Juntang Town, Xuanhan County, and carried out paired Party building and joint construction. The branch organized a knowledge popularization lecture titled "Guard Against Financial Fraud and Be Wary of Illegal Fundraising" for villagers in Wanqiao Village. It also actively communicated with the Wanqiao Village Committee to gain a detailed understanding of the family situations of local impoverished households, mobilized employees to make donations, and delivered consolation supplies such as rice and cooking oil to families in need.

Liaoning Branch: The Second Party branch of the Liaoning Branch held an online paired Party building and joint construction activity with the Party of Junba Village, Juntang Town, Xuanhan County, focusing on in-depth study and implementation of the spirit of the fourth plenary sessions of the 20th Central Committee of the Party. During the meeting, the Second Party branch delivered lectures and training to Party members in Junba Village on the communiqué of the fourth plenary sessions of the 20th Central Committee of the Party and key contents of the proposals for the 15th Five-Year Plan. It also provided detailed interpretations in light of Xi Jinping Economic Thought regarding agricultural and rural modernization and rural revitalization.

Huitong Assets: Focusing on the actual needs of Party building work in Suoxia Village, Shixia Village, and Yankou Village in Xuanhan County, Huitong Assets allocated a total of RMB120,000 in special Party membership fees. The funds were used to support the renovation of activity venues for grassroots Party organizations, the upgrading of Party member education facilities, and assistance for Party members and the masses in need. Across the three villages, a total of 144 impoverished Party members and residents received consolation and assistance. The village committee offices and Party member activity centers were renovated; infrastructure such as conference tables and chairs, and electronic screens were upgraded; a village Party-mass cultural square was built; and publicity display boards were produced, effectively improving the grassroots Party building environment. Throughout the year, 5 Party member training sessions were organized, with a cumulative total of 124 participants.

16.8.1.2 Industrial Assistance

Developing industries is the fundamental strategy for consolidating poverty alleviation achievements and promoting rural revitalization. The Company focuses on addressing the shortcomings in industrial development, improving the mechanism for linking farmers with industry and empowering farmers, and driving the shift from "blood transfusion" to "blood-making" through market-oriented approaches. Leveraging its financial expertise, the Company strives to build rural revitalization demonstration projects.

The Company invested RMB1 million to support the construction of rain shelters, orchard fences, and other infrastructure for the third-phase cherry orchard in Renyi Village. This investment effectively mitigates risks from extreme weather, animal intrusion, and human damage, ensures the healthy growth of fruit trees, lays a solid foundation for industrial project development, and continuously injects momentum into rural revitalization in Xuanhan County. With the Company's sustained assistance, Renyi Village has been successfully designated as a rural revitalization demonstration village in Xuanhan County. Its village collective economic income has exceeded RMB1 million for three consecutive years, ranking among the top administrative villages in Dazhou City.

The Qinghai Branch has taken concrete actions to boost industrial income growth in assisted areas. Through diversified procurement channels including staff canteen purchases and trade union activity procurement, the branch has purchased consumption assistance products worth approximately RMB40,000 from Xuanhan County, CITIC Group's designated assistance counties/districts, and designated banner counties under the State Administration of Financial Regulation, effectively driving the sustainable development of industries in assisted areas.

16.8.1.3 Educational Assistance

Educational assistance is a key focus of the Company's support work, which revolves around the three elements of "schools, teachers, and students". Building on its long-running traditional education assistance programs, including the "Most Beautiful Rural Teachers Award" and the "Outstanding Student Scholarship", the Company launched its 11th consecutive year of the "One-on-One" Student Support Initiative among employees. Nearly RMB700,000 was raised throughout the year to support 340 underprivileged students in Xuanhan County, continuously conveying the warmth of CITIC. Meanwhile, the Company actively integrated the resource strengths of CITIC Group to launch education empowerment initiatives. During the year, it organized 11 outstanding teachers and students from Xuanhan County to visit and study in Beijing, held a summer camp for employees' children in Xuanhan, donated 2,000 books to local primary and secondary schools, and supported the establishment of "Dream Libraries", enriching students' extracurricular cultural life, broadening their horizons and inspiring their minds. Four young employees were dispatched to teach at CITIC Banpo Hope Primary School, and donations were organized for supplies needed for a calligraphy classroom.

In conjunction with the training of the "Three Key Teams", the Company leveraged the professional resources of Longping High-Tech, a subsidiary of CITIC Agriculture, to organize special agricultural technology training sessions. These efforts focused on enhancing the capabilities and professionalism of grassroots cadres, agricultural technicians and new-type agribusiness operators, helping address the shortage of rural talents and injecting sustained impetus into rural revitalization.

16.8.1.4 Livelihood Assistance

The Company is committed to enhancing livelihood support, effectively utilizing introduced aid funds to improve rural living environments and upgrade living facilities, thereby fostering harmonious and beautiful villages. The Company introduced and provided support funds of RMB280,000 to assist poverty-alleviated villages in Xuanhan County in improving their rural living environments and upgrading daily-life infrastructure. It supported the construction of human and livestock drinking water projects in Gaotai Community of Fankuai Town and Renyi Village, benefiting more than 500 households and effectively improving the production and living conditions of local residents.

16.8.1.5 Consumption Assistance

Our Company regards consumption assistance as an important innovative and growth point for targeted support, and actively explores a dual-wheel drive model of "self-purchase + sales support" to effectively tackle the issue of unsold agricultural products. It has selected distinctive agricultural and sideline products from Xuanhan County, fully explored the cultural connotations and unique features behind the products to enhance their added value, and assisted in optimizing packaging design to create assistance-themed gift boxes. The Company has stepped up publicity efforts to boost internal and external purchasing intentions, helped expand sales channels for Xuanhan's agricultural and sideline products, and improved the industrial circulation chain. Seizing key festival periods, it has launched the "Spring Action for Consumption Assistance" and "Golden Autumn Action for Consumption Assistance", maintained continuous promotion, and increased procurement volumes under the consumer assistance program. During the reporting period, the Group achieved consumption assistance totaling over RMB3.8 million.

16.8.2 Engaging in Public Welfare and Enhancing Social Welfare

Our Group views giving back to society and promoting community prosperity and progress as an important social responsibility, and actively engage in public welfare. It has continuously improved its volunteer service system and steadily enhanced its capacity to fulfill social responsibilities. Volunteer services have covered a wide range of areas, including community services, financial literacy promotion, poverty alleviation and assistance, ecological and environmental protection, and public welfare medical services. The scope and influence of such services have kept expanding, and a volunteer service brand with the Company's distinctive characteristics has gradually taken shape. The Company actively spreads positive corporate energy and contributes to building a more harmonious and sustainable social development environment.

16. Social Responsibility Report

During the reporting period, more than 40 volunteer teams had been established at the headquarters and across all branches and subsidiaries. It organized nearly 90 volunteer activities throughout the year, engaged more than 600 young volunteers, accumulated over 180,000 hours of total volunteer service, and directly benefited approximately 6,000 individuals.

- During the major fire at Hong Fu Court in Tai Po, Hong Kong, the International Branch lived up to its mission of helping those in need and serving society, conveying corporate warmth in a timely manner. It immediately activated its emergency response mechanism, set up a special task force, promptly raised relief funds, and provided care and support to affected employees and their families. Concurrently, fire hazard inspections were carried out to strengthen safety management and effectively ensure personnel safety.

- Zhiyuan Company actively promoted the Lei Feng Spirit in the new era and continued to improve the long-term mechanism for volunteer services. By proactively liaising with communities, subdistricts, hospitals and other institutions, it organized cadres and employees to provide regular volunteer services at Beijing Children's Hospital. A total of 31 employees participated, accumulating 400 service hours, and the team was awarded the title of "Excellent Volunteer Service Team" by the hospital.

- The Jilin Branch organized young volunteers to conduct a public welfare financial literacy campaign at a community in Chaoyang District, Changchun City. During the event, young volunteers distributed promotional materials and held mini lectures on financial knowledge to educate residents on anti-money laundering, prevention of illegal fund-raising, financial consumer protection and other topics. They guided residents to properly use financial products and services and strengthened their risk prevention awareness.

- The Guangdong Branch organized young employees to participate in the "Sunshine Mutual Assistance, CITIC in Action" charity donation and bazaar volunteer event jointly held by the Guangdong Provincial Committee of the Communist Youth League, Guangzhou Municipal Committee of the Communist Youth League and Tianhe District Committee of the Communist Youth League. All proceeds from the event were donated to students from impoverished primary and secondary schools and students with intellectual disabilities in Guangdong Province. The event attracted many caring participants, demonstrating the fine spirit of the Company's youth in devoting themselves to public welfare and helping those in distress.

- The Shanghai Branch organized young volunteers to carry out an environmental protection volunteer activity themed "Safeguarding Historical Context, Co-building an Ecological Yu Garden" in the Yu Garden commercial area. Volunteers cleaned up the surroundings of the scenic spot, main roads and green belts, promoted waste sorting knowledge to tourists along the way, and guided citizens and visitors to jointly maintain the scenic environment, practicing the green development philosophy and service spirit with concrete actions.

16.9 Appendix

16.9.1 Social Recognition

- Outstanding Financial Innovation Case for the "14th Five-Year Plan Period" by Securities Times
- "Excellence in ESG Disclosure" by Hong Kong Commercial Daily
- ESG Rating AA (December 2025) by China Securities Index Co., Ltd.
- Trustworthy Statistical Unit 2025 in Xicheng District, Beijing
- 2024 Outstanding Banking News by China Banking Association
- The 5th Short Video Contest on Combating Illegal Financial Activities themed "Safeguard Your Wallet, Protect Your Home" by China Financial Media
- Awarded "Top 100 in Comprehensive Strength", "Corporate Potential Award" and "2025 Outstanding Hong Kong Stock Connect Company" at PWMA Wealth Management Summit 2025

16.9.2 Independent Assurance Report on Social Responsibility Report

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Independent assurance report

安永华明（2026）专字第 70015868_A01 号
China CITIC Financial Asset Management Co., Ltd.

To the Board of Directors of China CITIC Financial Asset Management Co., Ltd.

Scope

We have been engaged by China CITIC Financial Asset Management Co., Ltd. (the "CITIC Financial AMC") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the selected data as of and for the year ended 31 December 2025 in the 2025 Corporate Social Responsibility Report (the "2025 Social Responsibility Report").

Selected data

The selected data in the 2025 Social Responsibility Report for 2025 that is covered by this report is as follows:

- Total number of employees (persons)
- Natural gas consumption (cubic meters)
- Gasoline consumption (litres)
- Office paper consumption (tons)
- Water consumption (tons)
- Electricity consumption (kWh)

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

Criteria applied by CITIC Financial AMC

The criteria used by CITIC Financial AMC to prepare the selected data in the 2025 Social Responsibility Report are set out in the basis of reporting of the selected data (the "Basis of Reporting") within the 2025 Social Responsibility Report in the accompanying the *Appendix: Basis of Reporting*.

CITIC Financial AMC 's responsibilities

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

Independent assurance report（continued）

安永华明（2026）专字第 70015868_A01 号
China CITIC Financial Asset Management Co., Ltd.

EY's responsibilities

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

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (the "ISAE 3000 (Revised)") and the terms of reference for this engagement as agreed with CITIC Financial AMC on 30 January 2026. The standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the selected data in the 2025 Social Responsibility Report in order for it to be in accordance with the basis of reporting, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

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

Our independence and quality management

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

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

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Independent assurance report（continued）

安永华明（2026）专字第 70015868_A01 号
China CITIC Financial Asset Management Co., Ltd.

Description of Procedures performed

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

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

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

Our work was performed at the Head Office of CITIC Financial AMC and its subsidiary CITIC Jinzi Zhiyuan Enterprise Management Co., Ltd., which included:

1) Conducted interviews with personnel to understand the business and reporting process;
2) Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selected data during the reporting period;
3) Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Basis of Reporting;
4) Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant differences we identified;
5) Tested, on a sample basis, underlying source information to check the accuracy of the data;
6) Other procedures deemed necessary.

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Independent assurance report（continued）

安永华明（2026）专字第 70015868_A01 号
China CITIC Financial Asset Management Co., Ltd.

Conclusion

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

Restricted use

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

Ernst & Young Hua Ming LLP

Ernst & Young Hua Ming LLP
13 April 2026
Beijing, China

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Appendix: Basis of Reporting

Total number of employees (persons):
The total number of employees disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC. refers to the total number of employees at the head office, branches, and subsidiaries of China CITIC Financial Asset Management Co., Ltd. as of the end of the reporting period. Employees refer to formal employees who have signed labor contracts with China CITIC Financial Asset Management Co., Ltd. (including head office and branches) and its subsidiaries, and the employees who have signed labor contracts with labor dispatch agencies and outsourcing service companies and are assigned to work for CITIC Financial AMC (including head office and branches) and its subsidiaries.

Natural gas consumption (cubic meters):
The natural gas consumption disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC refers to the total natural gas consumption of the head office, branches, and the head offices of subsidiaries of CITIC Financial AMC during the reporting period. The natural gas consumption is calculated by compiling monthly meter readings and natural gas purchase invoices.

Gasoline consumption (litres):
The gasoline consumption disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC. refers to the total gasoline consumption of the company's own official vehicles at the head office, branches, and the head offices of subsidiaries of CITIC Financial AMC during the reporting period. The gasoline consumption is calculated by compiling monthly fueling records, fuel receipts, and fueling records of fuel card.

Office paper consumption (tons):
The office paper consumption disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC refers to the total amount of office paper used at the head office, branches, and the head offices of subsidiaries of CITIC Financial AMC during the reporting period. Office paper includes A4 and A3 copy paper, which is calculated by compiling monthly usage records of office supplies and purchase invoices of office supplies.

Water consumption (tons):
The water consumption disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC refers to the total water consumption of the head office, branches, and the head offices of subsidiaries of CITIC Financial AMC during of the reporting period and it is calculated by compiling monthly water meter readings, payment receipts, and invoices.

Electricity consumption (kWh):
The electricity consumption disclosed in the 2025 Social Responsibility Report of CITIC Financial AMC refers to the total electricity consumption of the head office, branches, and the head offices of subsidiaries of CITIC Financial AMC during the reporting period. The electricity consumption is calculated by compiling monthly meter readings, payment receipts, payment invoices, and screenshots from the State Grid APP.

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

Aspects, General Disclosures and KPIs	Description	Report Location
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Board Statement
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About the Report

Aspects, General Disclosures and KPIs	Description	Report Location
Reporting Boundary	A narrative explaining the reporting scope of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About the Report
"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 and emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. *Notes: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.*	Environmental Responsibility
KPI A1.1	The types of emissions and respective emissions data.	Environmental Responsibility The Company's operations are mainly concentrated in office spaces, so the impact on the environment is small.
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility

Aspects, General Disclosures and KPIs	Description	Report Location
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Responsibility
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.	Environmental Responsibility
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. *Notes: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.*	Environmental Responsibility
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in 000's) and intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Responsibility
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.	Environmental Responsibility
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Company's business only includes services and does not involve packaging materials.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Responsibility
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Responsibility

Aspects, General Disclosures and KPIs	Description	Report Location
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.	Employee Responsibility
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Responsibility
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Responsibility
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.	Employee Responsibility
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employee Responsibility
KPI B2.2	Lost days due to work injury.	Employee Responsibility
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Responsibility

Aspects, General Disclosures and KPIs	Description	Report Location
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.*	Employee Responsibility
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employee Responsibility
KPI B3.2	The average training hours completed per employee by gender and employee category.	Employee Responsibility
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.	Employee Responsibility
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Responsibility
KPI B4.2	Description of steps taken to eliminate violations when discovered.	Employee Responsibility
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management

Aspects, General Disclosures and KPIs	Description	Report Location
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Customer Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Company does not directly provide physical products.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Industry Responsibility
KPI B6.4	Description of quality assurance process and recall procedures.	The Company does not directly provide physical products.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Responsibility

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Aspects, General Disclosures and KPIs	Description	Report Location
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.	Governance Responsibility
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.	Governance Responsibility
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Governance Responsibility
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Governance Responsibility
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.	Community Responsibility
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Responsibility
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Responsibility

Aspects, General Disclosures and KPIs	Description	Report Location
D. Climate-related Disclosures		
(I) Governance		Addressing Climate Change
(II) Strategy		
Climate-related risks and opportunities		Addressing Climate Change Developing Green Finance Practicing Green Operations
Business model and value chain		Addressing Climate Change Developing Green Finance Practicing Green Operations
Strategy and decision-making		Addressing Climate Change Developing Green Finance Practicing Green Operations
Financial position, financial performance and cash flows		Addressing Climate Change
Climate resilience		Addressing Climate Change
(III) Risk Management		Addressing Climate Change
(IV) Metrics and Targets		
Greenhouse gas emissions		Addressing Climate Change
Climate-related transition risks		Developing Green Finance

Aspects, General Disclosures and KPIs	Description	Report Location
Climate-related physical risks		Practicing Green Operations
Climate-related opportunities		Developing Green Finance Practicing Green Operations
Capital deployment		Developing Green Finance Practicing Green Operations
Internal carbon prices		Not involved
Remuneration		Addressing Climate Change
Industry-based metrics		Addressing Climate Change
Climate-related targets		Addressing Climate Change

16.9.4 About the Report

The Report is the tenth social responsibility report prepared by the Company to meet the requirements of the ESG Code. It aims to respond to stakeholder expectations and demonstrate the concepts, management, actions, and achievements of CITIC FAMC in terms of environment, society, corporate governance, and sustainable development.

16.9.4.1 Report Preparation Standards

The Report is prepared in accordance with the ESG Code, the *Opinions on Strengthening the Social Responsibility of Banking Financial Institutions* issued by the NFRA, and the *Guidelines for Corporate Social Responsibility of Banking Financial Institutions* issued by the China Banking Association. It also extensively references domestic and international social responsibility reporting standards, including the *Guidelines for Writing Corporate Social Responsibility Reports by the Chinese Academy of Social Sciences*.

16.9.4.2 Reporting Scope

Unless otherwise specified, the Report covers the Company headquarters, branch offices, and their affiliated subsidiaries.

16.9.4.3 Data Sources of the Report

The Report's key financial data is extracted from the 2025 Annual Results Announcement of China CITIC Financial Asset Management Co., Ltd., and other data comes from internal corporate sources.

16.9.4.4 Reporting Period

The reporting period is from January 1, 2025, to December 31, 2025. For some content, historical data are appropriately traced.

16.9.4.5 Reporting Principles

Materiality: The Report identifies important ESG issues that affect the Company's sustainable development based on industry characteristics, stakeholder expectations, and development plans, and responds accordingly. For details, please refer to section "16.2.6.6.3 Determination of Material Issues".

Quantitative: The Company has quantitatively disclosed applicable ESG key indicators and provided information on the statistical standards, methods, assumptions, and/or calculation tools used for emissions/energy consumption data, as well as the sources of conversion factors. Please refer to the "Environmental Responsibility" section.

Consistency: The Report strives to maintain consistency in the indicators used across different reporting periods. If there are changes in key performance indicators, explanations for the changes will be provided.